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*Committee on Economic and Monetary Affairs*

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**2010/0278(COD)**

16.2.2011

# **AMENDMENTS 55 - 309**

**Draft report**  
**Sylvie Goulard**  
(PE454.626v03-00)

Effective enforcement of budgetary surveillance in the euro area

Proposal for a regulation  
(COM(2010)0524 – C7-0298/2010 – 2010/0278(COD))

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PE458.626v01-00

**EN**

*United in diversity*

**EN**



**Amendment 55**  
**Thomas Händel**

**Proposal for a regulation**

-

*Proposal for rejection*

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

Or. en

**Amendment 56**  
**Jürgen Klute**

**Proposal for a regulation**

-

*Proposal for rejection*

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

Or. en

**Amendment 57**  
**Nikolaos Chountis**

**Proposal for a regulation**

-

*Proposal for rejection*

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

Or. el

**Amendment 58**  
**José Manuel García-Margallo y Marfil**

**Draft legislative resolution**  
**Citation 2 a (new)**

*Draft legislative resolution*

*Amendment*

***Having regard to article 136 of the Treaty on the Functioning of the European Union,***

Or. en

**Amendment 59**  
**Thomas Händel**

**Proposal for a regulation**  
**Recital 1**

*Text proposed by the Commission*

*Amendment*

(1) Member States whose currency is the euro have a particular interest and responsibility to conduct economic policies that promote the proper functioning of economic and monetary union and to avoid policies that jeopardise it.

(1) Member States whose currency is the euro have a particular interest and responsibility to conduct economic policies that promote the proper functioning of economic, ***social*** and monetary union and to avoid policies that jeopardise it.

Or. en

**Amendment 60**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 1 b (new)**

*Text proposed by the Commission*

*Amendment*

***(1b) The EU-2020 strategy, which replaced the Lisbon Strategy, the latter having failed to produce a successful result, cannot possibly fulfil the objectives of full employment and prosperity for all***

*Europeans.*

Or. el

**Amendment 61**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 1 c (new)**

*Text proposed by the Commission*

*Amendment*

***(1c) Recovery from the crisis and avoidance of any further crisis cannot be achieved by using the very economic instruments and economic model which created it. Failure to recognise this will mean that any recovery will be at the expense of European workers.***

Or. el

**Amendment 62**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 1 d (new)**

*Text proposed by the Commission*

*Amendment*

***(1d) Experience gained during the first decade of functioning of economic and monetary union demonstrates the need to adopt the following objectives and principles: solidarity between the Member States, genuine economic convergence and the promotion of sustainable growth and full employment.***

Or. el

**Amendment 63**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 2**

*Text proposed by the Commission*

(2) The Treaty *allows the adoption of specific measures in the euro area which go beyond the provisions applicable to all Member States, for the purpose of ensuring the proper functioning of economic and monetary union.*

*Amendment*

(2) The Treaty *on the Functioning of the European Union and the Regulations relating to the Stability and Growth Pact established an excessive deficit procedure which is founded on a process of multilateral dialogue, in which supervision and surveillance are carried out by the Commission, which proposes recommendations to the Council. The experience acquired from the implementation of the excessive deficit procedure indicates that the Council and Commission should make their decisions public, in such a way as to ensure effective peer pressure, and likewise that there is a need for the European Parliament to invite Member States with budgetary difficulties to appear before the relevant committee and explain the decisions they have adopted Under the excessive deficit procedure, the Member States undertake to abide by their multilateral commitments with regard to the budgetary targets they undertook to meet, as well as the new targets in case of non-compliance. However, it is also understood that the commitment to the sustainable public finances objective does not prejudice the principle of subsidiarity, which means that the choice of policies and actions to achieve these objectives are the strict responsibility of the Member States.*

Or. pt

**Amendment 64**  
**Sharon Bowles**

**Proposal for a regulation**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) 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

*Justification*

*(This follows the rapporteur's amendment 3, recital 2b (new), adding the words 'with particular focus upon development and strengthening of the Single Market, fostering of international trade links and competitiveness'.)*

**Amendment 65**  
**Astrid Lulling**

**Proposal for a regulation**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) 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 66**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*(2a) The improved economic governance framework to be put in place in the euro area should include an effective framework for preventing and correcting excessive budgetary positions (the revised Stability and Growth Pact), a robust framework for preventing and correcting macro-economic imbalances, an 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



**Amendment 67**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) 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 68**  
**José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain**

**Proposal for a regulation**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) 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 an European Monetary Fund to pool a percentage of Member States sovereign debts, to help them to resolve financial crisis and to finance investments that can strengthen economic growth.*

Or. en

**Amendment 69**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

*(2b) The improved economic governance framework should also rely on a set of interlinked policies for sustainable growth and jobs, which need to be coherent and mutually reinforcing; To strengthen the Single Market, in particular, Member States should closely cooperate with the Commission to remove persistent obstacles to the free movement of workers, goods, capital and services as part of a comprehensive strategy for growth and jobs.*

Or. en

**Amendment 70**  
**Burkhard Balz**

**Proposal for a regulation**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) 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 71**  
**Sharon Bowles**

**Proposal for a regulation**  
**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***(2b) 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

*Justification*

*(This follows the rapporteur's amendment 4 recital 2 c (new) adding the words 'and takes into consideration the development and strengthening of the Single Market and fostering*

*international trade links')*

**Amendment 72**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***(2b) 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 and sustainable growth which aims at boosting the Union's competitiveness, environmental responsibility and social progress.***

Or. en

**Amendment 73**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 2 c (new)**

*Text proposed by the Commission*

*Amendment*

***(2c) 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 74**

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

**Proposal for a regulation**

**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***(2b) 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 75**

**Ramon Tremosa i Balcells**

**Proposal for a regulation**

**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) Strengthening economic governance should go hand in hand with the reinforcement of the democratic legitimacy of the Union, which should be achieved through a closer and a more timely involvement of the European Parliament, national parliaments and regional parliaments with legislative competences and fiscal powers, throughout the economic policy coordination procedures.***

Or. en

**Amendment 76**

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

**Proposal for a regulation**

**Recital 2 c (new)**

*Text proposed by the Commission*

*Amendment*

***(2c) 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 77**

**Nikolaos Chountis**

**Proposal for a regulation**

**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) EMU operating rules and the Stability and Growth Pact are failing to promote economic convergence in the euro area. On the contrary, they are creating and perpetuating macroeconomic imbalances, widening the gulf between the developed and the less-developed countries and, by extension, increasing the disparities in European living standards.***

Or. el

**Amendment 78**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) The annual policy recommendations by the Commission should be discussed in the European Parliament before the beginning of discussions in the Council.***

Or. en

**Amendment 79**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***(2b) A fundamental change to the operation of the Stability and Growth Pact is necessary so as to bring it into line with the criteria of solidarity between Member States, genuine economic convergence and the promotion of sustainable growth and full employment, while avoiding financial, economic and social austerity policies.***

Or. el

**Amendment 80**  
**Sharon Bowles**

**Proposal for a regulation**  
**Recital 2 c (new)**

*Text proposed by the Commission*

*Amendment*

***(2c) Achieving and maintaining a dynamic Single Market shall be***

*considered an element of the proper and smooth functioning of economic and monetary union.*

Or. en

**Amendment 81**  
**Astrid Lulling**

**Proposal for a regulation**  
**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

*(2b) 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.*

Or. en

**Amendment 82**  
**Astrid Lulling**

**Proposal for a regulation**  
**Recital 2 c (new)**

*Text proposed by the Commission*

*Amendment*

*(2c) 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 enhanced economic governance and should therefore 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 83**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Recital 2 c (new)**

*Text proposed by the Commission*

*Amendment*

*(2c) The European semester for economic policy coordination 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 should therefore coordinate them in the interest of greater stability and predictability in the Union as a whole; Stresses that transparency and independent oversight are essential building blocks of an improved economic governance framework; Stresses, in this respect, the need for Council and Commission to involve the European Parliament at the appropriate stages of the economic policy coordination procedures.*

Or. en

**Amendment 84**  
**José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain**

**Proposal for a regulation**  
**Recital 2 d (new)**

*Text proposed by the Commission*

*Amendment*

***(2d) 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 85**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***(2b) Member States outside the euro area are not obliged to implement this regulation.***

Or. el

**Amendment 86**  
**José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain**

**Proposal for a regulation**  
**Recital 2 e (new)**

*Text proposed by the Commission*

*Amendment*

***(2e) 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.***

**Amendment 87**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 2 d (new)**

*Text proposed by the Commission*

*Amendment*

***(2d) 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 88**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Recital 2 d (new)**

*Text proposed by the Commission*

*Amendment*

***(2d) The Commission should play a stronger coordination role in the enhanced surveillance procedures, mainly as regards Member-State-specific assessments, monitoring, missions in situ, recommendations and early warnings.***

Or. en

**Amendment 89**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 2 e (new)**

*Text proposed by the Commission*

*Amendment*

***(2e) 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 90**

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

**Proposal for a regulation**

**Recital 2 f (new)**

*Text proposed by the Commission*

*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.***

**Amendment 91**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 2 f (new)**

*Text proposed by the Commission*

*Amendment*

***(2f) 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.***

**Amendment 92**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***(2b) Without prejudice to their rights and obligations under the TFEU, the Member States whose currency is not the euro should have the right to apply the economic governance legislation, including those Member States whose currency is not the euro but have been admitted to ERM II under the terms of their accession treaty to the Union.***

**Amendment 93**

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

**Proposal for a regulation**

**Recital 2 h (new)**

*Text proposed by the Commission*

*Amendment*

*(2h) 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.*

Or. en

**Amendment 94**

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

**Proposal for a regulation**

**Recital 2 g (new)**

*Text proposed by the Commission*

*Amendment*

*(2g) 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.*

Or. en

**Amendment 95**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 2 g (new)**

*Text proposed by the Commission*

*Amendment*

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*(2g) 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, in the steps leading to sanctions, the reversed qualified majority voting in the Council needs to be used in accordance with the TFEU.*

Or. en

**Amendment 96**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

*(3) Additional sanctions are necessary to make the enforcement of budgetary surveillance more effective in the euro area. Those sanctions should enhance the credibility of the fiscal surveillance framework of the Union.*

*Amendment*

*(3) The European Parliament rejects the Commission proposal.*

Or. pt

**Amendment 97**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

*(3) Additional sanctions are necessary to make the enforcement of budgetary surveillance more effective in the euro area. Those sanctions should enhance the credibility of the fiscal surveillance framework of the Union.*

*Amendment*

*deleted*

Or. el

**Amendment 98**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

*(3) Additional sanctions are necessary to make the enforcement of budgetary surveillance more effective in the euro*

*Amendment*

*(3) A comprehensive system of incentives and additional sanctions is necessary to make the enforcement of budgetary*



area. **Those sanctions** should enhance the credibility of the fiscal surveillance framework of the Union.

surveillance more effective in the euro area. **Sanctions** should enhance the credibility of the fiscal surveillance framework of the Union, **while incentives should motivate Member States prompt compliance in view of getting back the money they had to pay in sanctions in the first instance.**

Or. en

**Amendment 99**  
**Jürgen Klute**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) Additional **sanctions are** necessary to make the enforcement of budgetary surveillance more effective in the euro area. **Those** sanctions should enhance the credibility of the **fiscal surveillance framework of the Union.**

*Amendment*

(3) Additional **assistance is** necessary to make the enforcement of budgetary surveillance more effective in the euro area. **Eventual** sanctions should **not harm political solidarity of the Union and social cohesion in its Member States. Incentives should** enhance the credibility of the **monetary union and reduce excessive costs of sovereign debt and public investment.**

Or. en

**Amendment 100**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) **Additional** sanctions are necessary to make the enforcement of budgetary surveillance more effective in the euro area. Those sanctions should enhance the

*Amendment*

(3) **Incentives and additional** sanctions are necessary to make the enforcement of budgetary surveillance more effective in the euro area. Those sanctions should

credibility of the fiscal surveillance framework of the Union.

enhance the credibility of the fiscal surveillance framework of the Union ***and the incentives should support the compliance.***

Or. en

**Amendment 101**  
**Rodi Kratsa-Tsagaropoulou**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) ***Additional*** sanctions ***are necessary*** to make the enforcement of budgetary surveillance more effective in the euro area. ***Those sanctions should enhance*** the credibility of the fiscal surveillance framework of the Union.

*Amendment*

(3) ***The proposed*** sanctions ***are intended*** to make the enforcement of budgetary surveillance more effective in the euro area, ***as well as enhancing*** the credibility ***and effectiveness*** of the fiscal surveillance framework of the Union.

Or. el

**Amendment 102**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) Additional sanctions are necessary to make the enforcement of budgetary surveillance more effective in the euro area. Those sanctions should enhance the credibility of the fiscal surveillance framework of the Union.

*Amendment*

(3) Additional ***and graduated*** sanctions ***as well as incentives*** are necessary to make the enforcement of budgetary surveillance more effective in the euro area. Those sanctions should enhance the credibility of the fiscal surveillance framework of the Union.

Or. en

**Amendment 103**  
**Jürgen Klute**

**Proposal for a regulation**  
**Recital 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***(3a) The budgetary surveillance framework should, in any case, support the Union's growth and jobs objectives. It needs to be, especially during economic downturns, combined with effective efforts to stimulate sustainable growth, the protection of social cohesion and the creation of jobs, whilst respecting Member-State-specific priorities and needs.***

Or. en

**Amendment 104**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***(3a) The principles set out in the Union's financial framework can only achieve credibility through a fundamental change in its objectives. The new objectives must be to promote solidarity, democracy, genuine economic convergence and the social welfare of all Europeans.***

Or. el

**Amendment 105**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 4**

*Text proposed by the Commission*

*Amendment*

***(4) The rules laid down by this Regulation should ensure fair, timely, graduated and effective mechanisms for compliance with the preventive and the corrective parts of the Stability and Growth Pact, in particular Regulation (EC) No 1466/97 of 7 July 1997 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies and Council Regulation (EC) No 1467/97 of 7 July 1997 on speeding up and clarifying the implementation of the excessive deficit procedure.***

*deleted*

Or. pt

**Amendment 106**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4a) The European Parliament in its resolution of 20th October 2010 with recommendations to the Commission on improving the economic governance and stability framework of the Union, in particular on the euro area, calls to "establish a robust and credible excessive debt prevention and resolution mechanism for the euro area" and asks, in that context, for an impact assessment and feasibility study to be undertaken within the following year, with the aim of putting in place a permanent mechanism or body (a European Monetary Fund) to avoid moral hazard and act to safeguard the stability of the euro area as a whole and its Member States whose currency is the euro.***

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<sup>3</sup>. JO L 209 de 2.8.1997, p. 6

Or. en

**Amendment 107**  
**Sylvie Goulard**

**Proposal for a regulation**  
**Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

*(4a) A system of common eurobonds based on national debts amounting to a certain percentage of Member State specific GDP, and in any case below 60 % of GDP, pooled and merged into a unified sovereign bond market would encourage compliance with the SGP and fiscal orthodoxy. The system of common eurobonds with strict allocation and requirements for the pooled debt alongside remaining national debt would enable enforcement of fiscal discipline by both policy and markets. Such a system ensuring part of the national debt being pooled while the rest remains the sole responsibility of each Member State would result in a system of gradual sanctions and rewards reducing the probability of a crisis.*

Or. en

**Amendment 108**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4a) Calls on the Commission to conduct an independent impact assessment on the possibility for the European Financial Stability Facility (EFSF) or the future European Stability Mechanism (ESM) to evolve into a European Monetary Fund drawing on the features and best practices of the International Monetary Fund (IMF) and aimed at preserving the financial stability of the EU as a whole by providing financial assistance under strict conditions to Member States in economic difficulty.***

Or. en

**Amendment 109**

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

**Proposal for a regulation**

**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 110**

**Astrid Lulling**

**Proposal for a regulation**

**Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4a) A permanent crisis mechanism or body, managed under Union rules and financed in particular with the revenues of the fines, should be established.***

Or. en

**Amendment 111**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4a) A European Monetary Fund, managed under Union rules and financed in part with the revenues of the fines and the interest earned by the Commission on deposits, should be established in compliance with Article 3(1)(c) and Article 122(2) TFEU in order to safeguard financial stability of the euro area as whole and its Member States. 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 112**  
**Anni Podimata**

**Proposal for a regulation**  
**Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4a) A European Monetary Fund, managed under Union rules and financed***

*in particular with the revenues of the fines and innovative financing instruments , should be established in compliance with Article 3(1)(c) and Article 122(2) TFEU 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 113**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 4 b (new)**

*Text proposed by the Commission*

*Amendment*

*(4b) A European Monetary Fund managed under Union rules and financed in part with the revenues of the fine, should be established in compliance with Article 3 (1) (c) and Article 122 (2) TFEU in order to safeguard financial stability of the euro area and its Member States whose currency is the euro. That fund should be based on the decisions taken by the Council of 9 and 10 May 2010 and the statement by the Euro group of 28 November 2010.*

Or. en

**Amendment 114**  
**José Manuel García-Margallo y Marfil**

**Proposal for a regulation**  
**Recital 4 b (new)**



*Text proposed by the Commission*

*Amendment*

***(4b) 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

*Justification*

*(This amendment should be placed between amendment 10 and 11)*

**Amendment 115**

**Astrid Lulling**

**Proposal for a regulation**

**Recital 4 b (new)**

*Text proposed by the Commission*

*Amendment*

***(4b) Since the adoption of that European Parliament resolution, the European Council has called, in its conclusions following its meeting of 28 and 29 October 2010 as well as of 16 and 17 December 2010, to "establish a permanent crisis mechanism to safeguard the financial stability of the euro area as a whole" by amending Article 136 TFEU (the "European Stability Mechanism")***

Or. en

**Amendment 116**

**Antolín Sánchez Presedo**

**Proposal for a regulation**

**Recital 4 b (new)**

*Text proposed by the Commission*

*Amendment*

***(4b) Eurobonds in the euro area should be established, in compliance with Article 3(1)c, Article 122(2) and Art. 136.1.a TFEU, based on the Community method, with the aim of reinforcing compliance with the Stability and Growth Pact and strengthening the coordination and surveillance of the budgetary discipline.***

Or. en

**Amendment 117**

**Anni Podimata**

**Proposal for a regulation**

**Recital 4 b (new)**

*Text proposed by the Commission*

*Amendment*

***(4b) The Union priorities for growth and jobs in Member States respecting the Stability and Growth Pact or having taken corrective measures should be funded through revenues from unused payments appropriations in the Union budget and innovative financing instruments.***

Or. en

**Amendment 118**

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

**Proposal for a regulation**

**Recital 4 c (new)**

*Text proposed by the Commission*

*Amendment*

***(4c) 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 119**

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

**Proposal for a regulation**

**Recital 4 d (new)**

*Text proposed by the Commission*

*Amendment*

*(4d) 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 120**

**Antolín Sánchez Presedo**

**Proposal for a regulation**

**Recital 4 c (new)**

*Text proposed by the Commission*

*Amendment*

*(4c) Increasing liquidity on a new global eurobonds market could reduce the financial costs for Member States and foster the euro as safe haven.*

Or. en

**Amendment 121**

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

**Proposal for a regulation**

**Recital 4 e (new)**

*Text proposed by the Commission*

*Amendment*

***(4e) 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 122**

**Antolín Sánchez Presedo**

**Proposal for a regulation**

**Recital 4 d (new)**

*Text proposed by the Commission*

*Amendment*

***(4d) The Union priorities for jobs, smart, sustainable and inclusive growth in Member States respecting the Stability and Growth Pact or having taken corrective measures could be fairly financed through eurobonds.***

Or. en

**Amendment 123**

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

**Proposal for a regulation**

**Recital 4 f (new)**

*Text proposed by the Commission*

*Amendment*

***(4f) 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 124**

**Nikolaos Chountis**

**Proposal for a regulation**

**Recital 5**

*Text proposed by the Commission*

*Amendment*

***(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should provide incentives for prudent fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.***

***deleted***

**Amendment 125**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 5**

*Text proposed by the Commission*

*Amendment*

***(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should provide incentives for prudent fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.***

***deleted***

Or. pt

**Amendment 126**  
**Sari Essayah**

**Proposal for a regulation**  
**Recital 5**

*Text proposed by the Commission*

*Amendment*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should provide incentives for prudent fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should provide incentives for prudent fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government

revenues or discretionary revenue reductions are compensated by reductions in expenditure.

revenues or discretionary revenue reductions are compensated by reductions in expenditure. ***This should be regarded as a minimum requirement, as the government budget should have a substantial structural surplus in order to guarantee its long-term sustainability.***

Or. fi

**Amendment 127**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Recital 5**

*Text proposed by the Commission*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should ***provide incentives for prudent*** fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a ***prudent*** medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

*Amendment*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact ***as well as incentives*** should ***be foreseen in order to reinforce compliance with the sustainable*** fiscal policy-making ***rule***. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a ***sustainable*** medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

Or. en

**Amendment 128**  
**Jürgen Klute**

**Proposal for a regulation**  
**Recital 5**

*Text proposed by the Commission*

(5) ***Sanctions*** for Member States whose

*Amendment*

(5) ***Assistance and incentives*** for Member

currency is the euro in the preventive part of the Stability and Growth Pact should ***provide incentives for prudent*** fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

States whose currency is the euro in the preventive part of the Stability and Growth Pact should ***ensure appropriate and sound*** fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

Or. en

**Amendment 129**  
**Ildikó Gáll-Pelcz**

**Proposal for a regulation**  
**Recital 5**

*Text proposed by the Commission*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should provide incentives for prudent fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

*Amendment*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should provide incentives for prudent fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by ***continuous and systematic*** increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

Or. hu

**Amendment 130**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 5**



*Text proposed by the Commission*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should provide incentives for **prudent** fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a **prudent** medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

*Amendment*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact should provide incentives for **sustainable** fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a **sustainable** medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

Or. en

**Amendment 131**  
**Rodi Kratsa-Tsagaropoulou**

**Proposal for a regulation**  
**Recital 5**

*Text proposed by the Commission*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact **should** provide incentives for prudent fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

*Amendment*

(5) Sanctions for Member States whose currency is the euro in the preventive part of the Stability and Growth Pact **are intended to** provide incentives for prudent fiscal policy-making. Such policy-making should ensure that the growth rate of government expenditure does not normally exceed a prudent medium-term growth rate of gross domestic product (GDP), unless the excess is matched by increases in government revenues or discretionary revenue reductions are compensated by reductions in expenditure.

Or. el

**Amendment 132**  
**Ramon Tremosa i Balcells**

**Proposal for a regulation**  
**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, especially in the freight transport.***

Or. en

**Amendment 133**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Recital 5 a (new)**

*Text proposed by the Commission*

*Amendment*

***(5a) The rules laid down in this regulation should include measures such as incentives for compliance in good times.***

Or. en

**Amendment 134**  
**Philippe Lamberts**  
**Proposal for a regulation**  
**Recital 5 b (new)**

*Text proposed by the Commission*

*Amendment*

***(5b) Common eurobonds would enhance convergence and economic policy***

*coordination and therefore should reinforce compliance with the Stability and Growth Pact. The rules laid down by this Regulation provide general guidelines for the establishment of common bonds within the euro area. Common bonds shall be established before the 1st of January 2013.*

*Fiscal convergence is a crucial element required in order to reinforce compliance with the sustainable fiscal policy making rule. Therefore, the Commission shall make a consistent package of legislative proposals by the end of 2011 in order to provide a fully fledged common European fiscal framework to ensure convergence, good regulation and fair competition.*

Or. en

## **Amendment 135**

**Miguel Portas**

### **Proposal for a regulation**

#### **Recital 6**

*Text proposed by the Commission*

*Amendment*

*(6) Prudent 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.*

*deleted*

Or. pt

**Amendment 136**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 6**

*Text proposed by the Commission*

(6) **Prudent** 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.

*Amendment*

(6) **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 **deal** with **normal cyclical fluctuations while keeping** the **government deficit below the** 3 % GDP reference value **and** ensure rapid progress towards **fiscal** sustainability. **Taking this into account, the medium-term budgetary objective should allow** room for budgetary manoeuvre, in particular for public investment **conducive to the achievement of the Union's jobs and, smart, sustainable and inclusive growth objectives.**

Or. en

**Amendment 137**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 6**

*Text proposed by the Commission*

(6) **Prudent** 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

*Amendment*

(6) **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 **deal** with **normal cyclical fluctuations while keeping** the **government deficit below the** 3% GDP reference value **and** ensure rapid progress towards **fiscal** sustainability. **Taking this**

budgetary *manoeuvre*, in particular *taking into account the needs* for public investment.

*into account*, the *medium-term budgetary objective should allow* room for budgetary *manoeuvre*, in particular for public investment *conducive to the achievement of the Union's growth and jobs objectives*.

Or. en

**Amendment 138**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Recital 6**

*Text proposed by the Commission*

(6) **Prudent** 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.

*Amendment*

(6) **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 139**  
**Astrid Lulling**

**Proposal for a regulation**  
**Recital 6**

*Text proposed by the Commission*

(6) Prudent fiscal policy-making should effectively achieve and maintain the medium-term budgetary objective. Adherence to the medium-term objective

*Amendment*

(6) Prudent **and sustainable** fiscal policy-making should effectively achieve and maintain the medium-term budgetary objective. Adherence to the medium-term

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.

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 140**

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

#### **Proposal for a regulation**

#### **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 141**

**Miguel Portas**

#### **Proposal for a regulation**

#### **Recital 7**

*Text proposed by the Commission*

*Amendment*

***(7) In the preventive part of the Stability and Growth Pact, the incentive for prudent 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) of the Treaty.***

***deleted***

Or. pt

## **Amendment 142**

**Ramon Tremosa i Balcells**

### **Proposal for a regulation**

#### **Recital 7**

*Text proposed by the Commission*

*Amendment*

(7) In the preventive part of the Stability and Growth Pact, the incentive for prudent 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

(7) In the preventive part of the Stability and Growth Pact, the incentive for prudent 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) of the Treaty.

potentially detrimental to the smooth functioning of economic and monetary union, and the Council therefore issues a recommendation in accordance with Article 121(4) of the Treaty. ***Debt structure will be taken into account as a relevant factor on this recommendation.***

Or. en

**Amendment 143**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Recital 7**

*Text proposed by the Commission*

(7) In the preventive part of the Stability and Growth Pact, the ***incentive for prudent*** 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) of the Treaty.

*Amendment*

(7) In the preventive part of the Stability and Growth Pact, the ***sanction foreseen in case of non compliance with the sustainable*** fiscal policy-making ***rule*** 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) of the Treaty.

Or. en



**Amendment 144**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 7**

*Text proposed by the Commission*

(7) In the preventive part of the Stability and Growth Pact, the incentive for **prudent** 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) of the Treaty.

*Amendment*

(7) In the preventive part of the Stability and Growth Pact, the incentive for **sustainable** fiscal policy-making should consist of an obligation to **temporarily** lodge an interest-bearing deposit 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 **unsustainable** 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) of the Treaty.

Or. en

**Amendment 145**  
**Astrid Lulling**

**Proposal for a regulation**  
**Recital 7**

*Text proposed by the Commission*

(7) In the preventive part of the Stability and Growth Pact, the incentive for prudent 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

*Amendment*

(7) 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

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) of the Treaty.

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) of the Treaty.

Or. en

#### **Amendment 146**

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

#### **Proposal for a regulation**

#### **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 147**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 8**

*Text proposed by the Commission*

*Amendment*

***(8) The interest-bearing deposit imposed should be released to the Member State concerned with the interest accrued on it once the Council has been satisfied that the situation giving rise to the obligation to lodge that deposit has come to an end.***

***deleted***

Or. pt

**Amendment 148**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 8**

*Text proposed by the Commission*

*Amendment*

(8) The interest-bearing deposit imposed should be released to the Member State concerned with the interest accrued on it once the Council has been satisfied that the situation giving rise to the obligation to lodge that deposit has come to an end.

(8) The interest-bearing deposit imposed should be released to the Member State concerned ***together*** with the interest accrued on it once the Council has been satisfied that the situation giving rise to the obligation to lodge that deposit has come to an end.

Or. en

**Amendment 149**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 9**

*Text proposed by the Commission*

*Amendment*

***(9) In the corrective part of the Stability and Growth Pact, sanctions for Member***

***deleted***

*States whose currency is the euro should take the form of an obligation to lodge a non-interest-bearing deposit linked to a Council decision establishing the existence of an excessive deficit and the obligation to pay a fine in the event of non-compliance with a Council recommendation to correct an excessive government deficit. These sanctions should be imposed irrespective of whether or not an interest-bearing deposit has previously been imposed on the Member State concerned.*

Or. pt

**Amendment 150**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 10**

*Text proposed by the Commission*

*Amendment*

*(10) The size of the interest-bearing deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97 is composed of a fixed component that equals 0.2% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.2% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty.*

*deleted*

**Amendment 151**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Recital 10**

*Text proposed by the Commission*

(10) The size of the interest-bearing deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97<sup>4</sup> is composed of a fixed component that equals 0.2% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.2% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty.

*Amendment*

(10) The size of the interest-bearing deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a **fair** graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact **while avoiding pro-cyclicality** and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97<sup>4</sup> is composed of a fixed component that equals 0.2% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.2% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty.

Or. en

**Amendment 152**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 10**

*Text proposed by the Commission*

(10) The size of the interest-bearing

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*Amendment*

(10) The size of the interest-bearing

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deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97<sup>4</sup> is composed of a fixed component that equals 0.2% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.2% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty.

deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact *while avoiding pro-cyclicality* and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97<sup>4</sup> is composed of a fixed component that equals 0.2% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.2% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty.

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<sup>4</sup> JO L 209 de 2.8.1997, p.6.

Or. en

## **Amendment 153** **Ildikó Gáll-Pelcz**

### **Proposal for a regulation** **Recital 10**

#### *Text proposed by the Commission*

(10) The size of the interest-bearing deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine

#### *Amendment*

(10) The size of the interest-bearing deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine

linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97 is composed of a fixed component that equals 0.2% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.2% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty.

linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97 is composed of a fixed component that equals 0.2% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.2% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty, ***whose upper limit is 0.5% of GDP.***

Or. hu

## **Amendment 154**

**Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark**

### **Proposal for a regulation**

#### **Recital 10**

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

(10) The size of the interest-bearing deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97<sup>4</sup> is composed of a fixed component that equals 0.2% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.2% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty.

##### *Amendment*

(10) The size of the interest-bearing deposit, of the non-interest-bearing deposit and of the fine provided for in this Regulation should be set in such a way as to ensure a graduation of sanctions in the preventive and corrective parts of the Stability and Growth Pact and to provide sufficient incentives for the Member States whose currency is the euro to comply with the fiscal framework of the Union. The fine linked to Article 126(11) of the Treaty as specified in Article 12 of Regulation (EC) No 1467/97<sup>4</sup> is composed of a fixed component that equals 0.4% of GDP and of a variable component. Thus, graduation and equal treatment between Member States are ensured if the interest-bearing deposit, the non-interest-bearing deposit and the fine specified in this Regulation are equal to 0.4% of GDP, the size of the fixed component of the fine linked to Article 126(11) of the Treaty.

**Amendment 155**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Recital 10 a (new)**

*Text proposed by the Commission*

*Amendment*

*(10a) Revenues from those additional sanctions, namely an interest-bearing deposit amounting to 0.2% of GDP in case of persisting and particularly serious deviations from prudent fiscal policy-making, a non-interest-bearing deposit amounting to 0.2% of GDP upon a Council's decision to place a given Member State in excessive imbalance procedure, and ultimately a fine in the event of non-compliance with the initial recommendation of the Council to correct the deficit, should be credited to an escrow account set up for the given noncompliant Member State, to which the account balance will be given back as soon as Council acting on a proposal by the Commission decides that the needed corrections have been made.*

**Amendment 156**  
**Wolf Klinz, Gunnar Hökmark**

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

*Amendment*

*(11) A possibility should be provided for the Council to reduce or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a Commission proposal following a*

*deleted*



*reasoned request by the Member State concerned. In the corrective part of the Stability and Growth Pact, the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances.*

Or. en

**Amendment 157**  
**Olle Schmidt**

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

*Amendment*

*(11) A possibility should be provided for the Council to reduce or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a Commission proposal following a reasoned request by the Member State concerned. In the corrective part of the Stability and Growth Pact, the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances.*

*deleted*

Or. en

*Justification*

*The request reductions or cancellations of fines restrict the automaticity of the procedures. The full implementation of the rules and procedures is to be ensured in order to safeguard the credibility of the economic governance framework, therefore should escape clauses be avoided.*

**Amendment 158**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

*Amendment*

***(11) A possibility should be provided for the Council to reduce or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a Commission proposal following a reasoned request by the Member State concerned. In the corrective part of the Stability and Growth Pact, the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances.***

*deleted*

Or. pt

**Amendment 159**

**Astrid Lulling**

**Proposal for a regulation**

**Recital 11**

*Text proposed by the Commission*

*Amendment*

***(11) A possibility should be provided for the Council to reduce or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a Commission proposal following a reasoned request by the Member State concerned. In the corrective part of the Stability and Growth Pact, the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances.***

*deleted*

Or. en

**Amendment 160**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

(11) *A possibility should be provided for the Council to reduce or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a Commission proposal following a reasoned request by the Member State concerned. In the corrective part of the Stability and Growth Pact, the Commission* should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances.

*Amendment*

(11) *As an exception* the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances *following hearings within the competent committee of the European Parliament.*

Or. en

**Amendment 161**  
**Jürgen Klute**

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

(11) A possibility should be provided for the Council to reduce or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a *Commission* proposal following a *reasoned* request by the Member State concerned. In the corrective part of the Stability and Growth Pact, the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances.

*Amendment*

(11) A *feasible* possibility should be provided for the Council to reduce or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a proposal *made by the Commission or the European Parliament or on the basis of* following a request by the Member State concerned. In the corrective part of the Stability and Growth Pact, the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances *or negative social effects.*

**Amendment 162**  
Philippe Lamberts

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

(11) A possibility should be provided for the Council to reduce or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a Commission proposal following a reasoned request by the Member State concerned. In the corrective part of the Stability and Growth Pact, the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances.

*Amendment*

(11) A possibility should be provided for the Council to reduce, **to delay** or to cancel the sanctions imposed on Member States whose currency is the euro on the basis of a Commission proposal following a reasoned request by the Member State concerned **or in case of a severe economic downturn**. In the corrective part of the Stability and Growth Pact, the Commission should also be able to propose to reduce the size of a sanction or to cancel it on grounds of exceptional economic circumstances **or in case of a severe economic downturn**.

**Amendment 163**  
Miguel Portas

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

***(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be distributed among Member States whose currency is the euro which do not have an excessive deficit and which are not the subject of an excessive imbalance procedure either.***

*Amendment*

***deleted***

**Amendment 164**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit *while* the interest on such deposits and the fines collected *should be distributed among Member States whose currency is the euro which do not have an excessive deficit and which are not the subject of an excessive imbalance procedure either*.

*Amendment*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit *together with* the interest on such deposits and the fines collected.

**Amendment 165**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be *distributed among Member States whose currency is the euro which do not have an excessive deficit and which are not the subject of an excessive imbalance procedure either*.

*Amendment*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be *allocated to the European Monetary Fund*.

**Amendment 166**  
**Burkhard Balz**

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be *distributed among Member States whose currency is the euro which do not have an excessive deficit and which are not the subject of an excessive imbalance procedure either.*

*Amendment*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be *allocated to the stability mechanism announced in a Council Decision on 16 December 2010. Until the establishment of this mechanism the interest and the fines should be credited to the European Financial Stability Facility.*

Or. en

**Amendment 167**  
**Jürgen Klute**

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be distributed *among Member States whose currency is the euro which do not have an excessive deficit and which are not the subject of an excessive imbalance procedure either.*

*Amendment*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be distributed *used in support of achieving the Union's long term investment and jobs objectives, especially in order to bridge social and economic gaps between the richest and the poorest Member States.*

Or. en

**Amendment 168**  
**Astrid Lulling**

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be ***distributed among Member States whose currency is the euro which do not have an excessive deficit and which are not the subject of an excessive imbalance procedure either.***

*Amendment*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be ***allocated to the European Financial Stability Mechanism or other permanent crisis mechanism established under Article 136(3) TFEU***

Or. en

**Amendment 169**  
**Rodi Kratsa-Tsagaropoulou**

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be ***distributed among Member States whose currency is the euro which do not have an excessive deficit and which are not the subject of an excessive imbalance procedure either.***

*Amendment*

(12) The non-interest-bearing deposit should be released upon correction of the excessive deficit while the interest on such deposits and the fines collected should be ***entered in the Community budget.***

Or. el

**Amendment 170**  
**Sharon Bowles**

**Proposal for a regulation**  
**Recital 12 a (new)**

*Text proposed by the Commission*

*Amendment*

***(12a) Sovereign debt in a currency union has differing dynamics to those of independent currencies. Maintenance of the preferential treatment of Eurozone Sovereign debt should therefore be reviewed and where there is an instance of non-compliance with the Stability and Growth Pact under regulation (EC) 1466/97 and Regulation (EC) 1467/97 restricted or withdrawn, as a disciplinary measure to address excessive macroeconomic imbalances and observance of the Stability and Growth Pact.***

Or. en

**Amendment 171**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 13**

*Text proposed by the Commission*

*Amendment*

***(13) The power to adopt individual decisions implementing the sanction mechanisms set out in this Regulation should be conferred on the Council. As part of the coordination of the economic policies of the Member States conducted within the Council as specified in Article 121(1) of the Treaty, these individual decisions are an integral follow-up to the measures adopted by the Council in accordance with Articles 121 and 126 of the Treaty and Regulations (EC) No 1466/97 and (EC) No 1467/97.***

***deleted***



Or. pt

**Amendment 172**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Recital 13 a (new)**

*Text proposed by the Commission*

*Amendment*

***(13a) In order to foster accountability and national ownership, the Council shall convene and deliberate publicly when it shall discuss and adopt conclusions and recommendations on these important issues that affect the interests of the European Union and its citizens.***

Or. en

**Amendment 173**  
**Miguel Portas**

**Proposal for a regulation**  
**Recital 14**

*Text proposed by the Commission*

*Amendment*

***(14) Since this Regulation contains general rules for the effective enforcement of Regulations (EC) No 1466/97 and (EC) No 1467/97, it should be adopted in accordance with the ordinary legislative procedure referred to in Article 121(6).***

***deleted***

Or. pt

**Amendment 174**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 15**

*Text proposed by the Commission*

*Amendment*

***(15) Since the objective to create a uniform sanction mechanism cannot be sufficiently achieved at the level of the Member States, the Union may adopt measures in accordance with the principles of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.***

***deleted***

Or. el

**Amendment 175  
Miguel Portas**

**Proposal for a regulation  
Recital 15**

*Text proposed by the Commission*

*Amendment*

***(15) Since the objective to create a uniform sanction mechanism cannot be sufficiently achieved at the level of the Member States, the Union may adopt measures in accordance with the principles of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective,***

***deleted***

Or. pt

**Amendment 176**  
**Edward Scicluna**

**Proposal for a regulation**  
**Recital 15 a (new)**

*Text proposed by the Commission*

*Amendment*

***(15a) Given that the monetary policy for the Member States whose currency is the euro is an exclusive competence of the Union, the Commission should be entrusted with emergency intervention powers when the stability of the euro is put at risk.***

Or. en

**Amendment 177**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Recital 15 a (new)**

*Text proposed by the Commission*

*Amendment*

***(15a) 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, the Charter of Human Rights as well as provisions of protocol 26 and article 153(5).***

Or. en

**Amendment 178**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Recital 15 a (new)**

*Text proposed by the Commission*

*Amendment*

***(15a) In the light of Article 48(2) of the Treaty on European Union, additional powers cannot be granted to the European Commission.***

Or. el

**Amendment 179**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Recital 15 b (new)**

*Text proposed by the Commission*

*Amendment*

***(15b) This Regulation does not affect the exercise of fundamental rights as recognized 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 180**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article -1 (new)**

*Text proposed by the Commission*

*Amendment*

***Article -1***

***Measures for compliance in good times***

***1. A credit system shall be specified by means of delegated acts according to article 2b to 2d. Credits shall be obtained if Member States comply with the***

*sustainable policy making rule as defined in article 5 of the Regulation and over attain annual targets towards the medium term objective. Credits are lost when there is a significant deviation from sustainable fiscal policy making.*

*2. If, on expiry of that period, neither the European Parliament nor the Council has objected to the delegated act it shall be published in the Official Journal of the European Union and shall enter into force at the date stated therein.*

*The delegated act may be published in the Official Journal of the European Union and enter into force before the expiry of that period if the European Parliament and the Council have both informed the Commission of their intention not to raise objections*

*3. If the European Parliament or the Council objects to a delegated act, it shall not enter into force. The institution which objects shall state the reasons for objecting to the delegated act.*

Or. en

**Amendment 181**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article -1 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article -1a*

*Exercise of the delegation*

*1. The power to adopt the delegated acts referred to in Articles 2c (new) shall be conferred on the Commission for a period of five years following the entry into force of this Regulation. The Commission shall make a report in respect of the delegated powers not later than six months before*

*the end of the five-year period. The delegation of power shall be automatically extended for periods of an identical duration, unless the European Parliament or the Council revokes it in accordance with Article 4b new.*

*2. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.*

*3. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in Articles 4b new and 4c new.*

Or. en

**Amendment 182**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article -1 b (new)**

*Text proposed by the Commission*

*Amendment*

*Article -1b*

*Revocation of the delegation*

*1. The delegation of powers referred to in Articles 3 (4) and 4 (1) may be revoked at any time by the European Parliament or by the Council.*

*2. The institution which has commenced an internal procedure for deciding whether to revoke the delegation of powers shall endeavour to inform the other institution and the Commission within a reasonable time before the final decision is taken, indicating the delegated powers which could be subject to revocation and possible reasons for a revocation.*

*3. The decision of revocation shall put an end to the delegation of the powers*

*specified in that decision. It shall take effect immediately or at a later date specified therein. It shall not affect the validity of the delegated acts already in force. It shall be published in the Official Journal of the European Union.*

Or. en

**Amendment 183**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article -1 c (new)**

*Text proposed by the Commission*

*Amendment*

**Article -1c**

**Common Eurobonds**

***1. Common eurobonds in the euro area shall be established before the 1st of January 2013 with the aim of reinforcing compliance with the Stability and Growth Pact and enhancing convergence and economic policy coordination.***

***They shall either be issued in exchange of existing National bonds at market prices and/or at a discount or issued in place of National bonds.***

***These common bonds would in particular be used in exchange offers with an appropriate discount in the framework of a sovereign debt resolution plans and in particular in the framework of the European Stability Mechanism.***

***2. The participation for the issuance of common eurobonds shall depend on the adherence to the reformed Stability and Growth Pact and be decided upon by the Council on a recommendation of the Commission.***

***3. The common eurobonds may pool up to 60% of GDP of national debt of each***

*participating Member State. Common debt shall be senior to other debts issued by individual Member States.*

*4. Issuance of the eurobonds shall be based on a robust institutional and administrative set up according to the highest standards and best practices of agencies currently managing sovereign debt in Member States.*

Or. en

**Amendment 184**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article -1 d (new)**

*Text proposed by the Commission*

*Amendment*

*Article -1d*

*Fiscal Convergence*

*1. The Commission shall make a consistent package of legislative proposals by the end of 2011 in order to provide a fully fledged common European fiscal framework to ensure convergence, good regulation and fair competition.*

*2. The package will contain:*

*a) general provisions for a common consolidated corporate tax base as well as minimum corporation tax rates to be gradually increased towards 25%;*

*b) general provisions in order to enhance fiscal cooperation towards full automatic exchange of information and strengthen the fight against tax avoidance;*

*c) A euro area financial transaction tax;*

*d) Coordinated introduction of environmental taxes;*

*e) A financial activity tax regarding the size of the institution and the level of*



*uninsured short-term funding;*  
*f) Introducing country-by-country compulsory reporting system on corporate income and taxes paid thereon, as well as an automatic exchange of information;*

Or. en

**Amendment 185**  
Philippe Lamberts

**Proposal for a regulation**  
**Article -1 e (new)**

*Text proposed by the Commission*

*Amendment*

*Article -1e*

*Objections to delegated acts*

*1. The European Parliament or the Council may object to a delegated act within a period of two months from the date of notification.*

*At the initiative of the European Parliament or the Council this period shall be extended by two months.*

Or. en

**Amendment 186**  
Philippe Lamberts

**Proposal for a regulation**  
**Article -1 f (new)**

*Text proposed by the Commission*

*Amendment*

*Article -1f*

*After being informed by the Commission of its proposal and prior to the adoption of Council decision referred to in Articles 3.1, 4.1 and 5.1, the Member State whose fiscal policy-making is deemed*

*unsustainable may request forthwith that an extraordinary meeting of the competent committee of the European Parliament be convened to discuss the reason of the deviations or of the excessive deficits, with the participation of the Council.*

*The Council shall take account of all relevant factors and the public debate in the European Parliament when deciding.*

Or. en

**Amendment 187**

**Miguel Portas**

**Proposal for a regulation  
Article 1**

*Text proposed by the Commission*

*Amendment*

***Subject matter and scope***

***deleted***

***1. This Regulation sets out a system of sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.***

***2. This Regulation shall apply to Member States whose currency is the euro.***

Or. pt

**Amendment 188**

**Nikolaos Chountis**

**Proposal for a regulation  
Article 1**

*Text proposed by the Commission*

*Amendment*

***Subject matter and scope***

***deleted***

***1. This Regulation sets out a system of sanctions for enhancing the enforcement***

*of the preventive and corrective parts of the Stability and Growth Pact in the euro area.*

**2. This Regulation shall apply to Member States whose currency is the euro.**

Or. el

#### **Amendment 189**

**Antolín Sánchez Presedo**

#### **Proposal for a regulation**

#### **Article 1 – paragraph 1**

*Text proposed by the Commission*

1. This Regulation sets out a system of sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

*Amendment*

1. This Regulation sets out a system of ***incentives and*** sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact ***and strengthening the coordination and surveillance of the budgetary discipline*** in the euro area.

Or. en

#### **Amendment 190**

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

#### **Proposal for a regulation**

#### **Article 1 – paragraph 1**

*Text proposed by the Commission*

1. This Regulation sets out a system of sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

*Amendment*

1. This Regulation sets out a system of ***incentives*** and sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

Or. en

**Amendment 191**  
**Derk Jan Eppink**

**Proposal for a regulation**  
**Article 1 – paragraph 1**

*Text proposed by the Commission*

1. This Regulation sets out a system of sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

*Amendment*

1. This Regulation sets out a system of ***incentives and*** sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

Or. en

**Amendment 192**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 1 – paragraph 1**

*Text proposed by the Commission*

1. This Regulation sets out a system of sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

*Amendment*

1. This Regulation sets out a system of ***incentives and*** sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

Or. en

**Amendment 193**  
**Philippe Lamberts**  
**Proposal for a regulation**  
**Article 1 – paragraph 1**

*Text proposed by the Commission*

1. This Regulation sets out a system of sanctions for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

*Amendment*

1. This Regulation sets out a system of sanctions ***and incentives*** for enhancing the enforcement of the preventive and corrective parts of the Stability and Growth Pact in the euro area.

**Amendment 194**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 1 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. In order to improve the dialogue between the Union institutions, in particular the European Parliament, the Council and the Commission, and with the national parliaments, governments and other relevant bodies of the Member States, and to ensure greater transparency and public accountability, the competent committee of the European Parliament may organise public hearings on macro-economic and budgetary surveillance undertaken by the Council and the Commission.***

**Amendment 195**  
**Sylvie Goulard**

**Proposal for a regulation**  
**Article 1 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. In order to enhance the dialogue between the Union institutions, in particular the European Parliament, the Council and the Commission, and the parliaments, governments and other relevant bodies of the Member States, and to ensure greater transparency and accountability, the competent committee of the European Parliament may organise public debates and hearings on macro-economic and budgetary surveillance***

*undertaken by the Council and the Commission.*

Or. en

**Amendment 196**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Article 1 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*1a. In order to enhance the dialogue between the Union institutions, in particular the European Parliament, the Council and the Commission, and the parliaments, governments and other relevant bodies of the Member States, and to ensure greater transparency and accountability, the competent committee of the European Parliament may organise hearings and public debates on macro-economic and budgetary surveillance undertaken by the Council and the Commission.*

Or. en

**Amendment 197**  
**José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain**

**Proposal for a regulation**  
**Article 1 – paragraph 1 b (new)**

*Text proposed by the Commission*

*Amendment*

*1b. In order to enhance the dialogue between the Union institutions, in particular the European Parliament, the Council and the Commission, and the national parliaments, governments and other relevant bodies of the Member States, and to ensure greater transparency*

*and accountability, the competent committee of the European Parliament may organise public debates on macro-economic and budgetary surveillance undertaken by the Council and the Commission.*

Or. en

**Amendment 198**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 1 – paragraph 2**

*Text proposed by the Commission*

2. This Regulation shall apply to Member States whose currency is the euro.

*Amendment*

2. This Regulation shall apply to Member States whose currency is the euro. ***It shall also apply to Member States whose currency is not the euro but who have been admitted to ERM II.***

Or. en

**Amendment 199**  
**Nikolaos Chountis**

**Proposal for a regulation**  
**Article 2**

*Text proposed by the Commission*

***Definitions***

***For the purpose of this Regulation:***

***(1) 'the preventive part of the Stability and Growth Pact' means the multilateral surveillance system as organised by Regulation (EC) No 1466/97 of July 1997;***

***(2) 'the corrective part of the Stability and Growth Pact' means the procedure for the control of Member States' excessive***

*Amendment*

***deleted***

*deficit as regulated by Article 126 of the Treaty and Regulation (EC) No 1467/97 of 7 July 1997;*

*(3) 'exceptional economic circumstances' means circumstances where an excess of a government deficit over the reference value is considered exceptional within the meaning of the second indent of Article 126(2)(a) of the Treaty and as specified in Regulation (EC) No 1467/97.*

Or. el

## **Amendment 200**

**Miguel Portas**

### **Proposal for a regulation Article 2**

*Text proposed by the Commission*

*Amendment*

#### **Definitions**

*deleted*

*For the purpose of this Regulation:*

*(1) 'the preventive part of the Stability and Growth Pact' means the multilateral surveillance system as organised by Regulation (EC) No 1466/97 of July 1997;*

*(2) 'the corrective part of the Stability and Growth Pact' means the procedure for the control of Member States' excessive deficit as regulated by Article 126 of the Treaty and Regulation (EC) No 1467/97 of 7 July 1997;*

*(3) 'exceptional economic circumstances' means circumstances where an excess of a government deficit over the reference value is considered exceptional within the meaning of the second indent of Article 126(2)(a) of the Treaty and as specified in Regulation (EC) No 1467/97.*

Or. pt



**Amendment 201**

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

**Proposal for a regulation**

**Article 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 2a**

***European Monetary Fund***

***1. A European Monetary Fund shall be established with the aim of improving economic governance and coordination at EU level, safeguarding financial stability of the euro area as a whole and reinforcing budgetary discipline among Member States, while setting out a credible strategy for growth. The EMF shall be managed under Union rules***

***2. The European Monetary Fund serves three main purposes:***

***(a) help any Member State with financial difficulties to resolve the crisis in which they might be involved assuming the current responsibility of the EFSF and ESM and assuming any future permanent crisis resolution mechanism.***

***(b) issue common securities that would finance up to {...} percentage of the Member States' debt which currency is the euro and make its resources available to them provided its compliance with the improved economic governance framework;***

***(c) create project bonds to finance European projects with long term commercial potential. The European budget would be used to improve the rating in order to attract funding from financial institutions and private investors on the capital markets.***

***3. The EMF should be credited with the interest earned by the Commission on***

*deposits lodged and fines collected in accordance with [Articles 3, 4 and 5 of this Regulation, Article 12 of Regulation (EC) No 1467/97 and Article 3 of Regulation (EU) No .../2010 on enforcement measures to correct excessive microeconomic imbalances in the euro area]*

Or. en

**Amendment 202**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Article 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 2a*

*[European Monetary Fund]*

*A European Monetary Fund shall be established with the aim of safeguarding financial stability of the euro area as a whole, and its Member States and to reinforce budgetary discipline and coordination among Member States.*

*The interest earned by the Commission on deposits lodged and fines collected in accordance with [Articles 3, 4 and 5 of this Regulation, Article 12 of Regulation (EC) No 1467/97 and Article 3 of Regulation (EU) No .../2010 on enforcement measures to correct excessive microeconomic imbalances in the euro area] shall be credited to the European Monetary Fund, and shall be:*

- (a) managed under Union rules; and*
- (b) used for the purposes of the current EFSF and ESM and any future structure that will take on their responsibilities.*

*The EMF may have additional financial resources through contributions from*

*Member States in accordance with their compliance with the Stability and Growth Pact.*

Or. en

**Amendment 203**  
**Sylvie Goulard**

**Proposal for a regulation**  
**Article 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 2a*

*[European Monetary Fund]*

*A [European Monetary Fund] shall be established with the aim of safeguarding financial stability of the euro area and reinforce budgetary discipline among Member States.*

*The interest earned by the Commission on deposits lodged and fines collected in accordance with [Articles 3, 4 and 5 of this Regulation, Article 12 of Regulation (EC) No 1467/97 and Article 3 of Regulation (EU) No .../2010 on enforcement measures to correct excessive microeconomic imbalances in the euro area] shall be credited to the European Monetary Fund, and shall be:*

- (a) managed under Union rules; and*
- (b) used for the purposes of the current EFSF and ESM and any future structure that will take on their responsibilities.*

*The [EMF] may have additional financial resources through contributions from Member States in accordance with their compliance with the Stability and Growth Pact.*

Or. en

**Amendment 204**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 2a*

***A European Monetary Fund shall be established with the aim of safeguarding financial stability of the euro area composed of its Member States whose currency is the euro and to reinforce budgetary discipline among Member States.***

Or. en

**Amendment 205**  
**Sharon Bowles**

**Proposal for a regulation**  
**Article 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 2a*

***There shall be a Permanent Stability Mechanism for the stability of the Euro area and participating Member States. Sovereign debt may be raised via the mechanism for any participating Member State subject to prioritisation rules. Conditions shall apply depending upon the level of compliance with the Stability and Growth pact and macroeconomic balance. Conditions may include posting of collateral returnable periodic payments, or a programme of enhanced surveillance, additional reporting requirements and inspections.***

*Justification*

*(To be considered in conjunction with Sylvie Goulard's amending Article 2a.)*

**Amendment 206**

**Astrid Lulling**

**Proposal for a regulation**

**Article 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 2a*

***[European Stability Mechanism]***

***A European Stability Mechanism shall be established with the aim of safeguarding financial stability of the euro area as a whole and reinforce budgetary discipline among Member States.***

***The interest earned by the Commission on deposits lodged and fines collected in accordance with [Articles 3, 4 and 5 of this Regulation, Article 12 of Regulation (EC) No 1467/97 and Article 3 of Regulation (EU) No .../2010 on enforcement measures to correct excessive microeconomic imbalances in the euro area] shall be credited to the European Financial Stability Facility and, upon the establishment of the European Stability Mechanism or any other permanent crisis mechanism, to such Mechanism. It shall be:***

- (a) managed under Union rules; and***
- (b) used for the purposes of such permanent crisis mechanism.***

***The European Stability Mechanism may have additional financial resources through contributions from Member States.***

**Amendment 207**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Article 2 b (new)**

*Text proposed by the Commission*

*Amendment*

**Article 2b**

***Before three years since the entry into force of the present Regulation, the Commission shall present a proposal establishing a common framework on capital and corporate taxation, including minimum rates, as well as on basic labour and social standards, including equivalent minimum wages and sustainable thresholds for retirement, for Member States of the euro area that may use the incentives described in this Chapter.***

Or. en

*Justification*

*(This amendment should be placed in Chapter 1a (new) "Incentives" created by the rapporteur)*

**Amendment 208**  
**Vicky Ford**

**Proposal for a regulation**  
**Article 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 2a**

***Loans from the EFSF, ESM or the Permanent Stability Mechanism shall charge interest based on cost with an appropriate risk premium. A ratcheted prepayment incentive may be included in the terms and conditions in order to incentivise early repayment of the loans and to facilitate the borrower's return to***

*the capital markets.*

Or. en

**Amendment 209**

**Sharon Bowles**

**Proposal for a regulation**

**Article 2 b (new)**

*Text proposed by the Commission*

*Amendment*

**Article 2b**

***Loans from EFSF, ESM or the Permanent Stability Mechanism shall charge interest based on cost. Additional returnable risk premiums or returnable periodic payments may also be levied and refunded on discharge of the loan or other agreed earlier time.***

Or. en

*Justification*

*(To be considered in conjunction with the rapporteur's amending article 2a.)*

**Amendment 210**

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

**Proposal for a regulation**

**Article 2 b (new)**

*Text proposed by the Commission*

*Amendment*

**Article 2b**

***Eurosecurities***

***1. European sovereign bonds or eurosecurities should be issued by the European Monetary Fund to finance up to {...} percent sovereign debt of euro area Member States which are in compliance with the improved economic governance and the stability framework of the Union.***

- 2. Euro area Member States should pool up to {...} percentage of GDP of their sovereign debt under joint and several liability. Eurosecurities shall be issued according to the Union method. Eurosecurities shall be issued in the form of senior debt and shall take priority over any classes of debt.***
- 3. National debt exceeding the percentage covered by eurosecurities should be issued by national governments and will rank after eurosecurities.***
- 4. The EMF shall issue eurosecurities after a Council decision on a proposal of the Commission. Commission shall immediately forward it to the European Parliament and the ECB.***
- 5. Member States whose currency is the euro can request the financing of its sovereign debt under the agreed percentage in a letter of intention that could be voted on by its parliament, when required by national law in order to safeguard fiscal responsibility. The Commission shall immediately forward it to the Council, the European Parliament and the EMF.***
- 6. The Commission shall approve by means of implementing acts pursuant to article 291 TFUE the allocation requested to Member States with prudent fiscal policies and sound fundamentals. Commission shall immediately forward its decision to the Council, the European Parliament and the EMF.***
- 7. Council on a recommendation of the Commission may impose to Member States not complying with the recommendation to take corrective action under the Stability and Growth Pact or to address excessive macroeconomic imbalances an extra interest rate. Extra interest rates should be paid back to the borrowing country once the decision on the existence of excessive deficit has been abrogated or once the Council, on a***



*recommendation of the Commission, concludes that the Member State is no longer affected by excessive imbalances. The Council shall act without taking into account the vote of the Member of the Council representing the Member State concerned. Any decision in this respect shall immediately be forwarded to the European Parliament and the EMF.*

*8. Council on a recommendation of the Commission may limit or reject the allowance of allocation requested by Member States in the event of repetitive or serious non-compliance with the recommendation to take corrective action under the Stability and Growth Pact or to address excessive macroeconomic imbalances. Commission shall immediately forward it to the Council, the European Parliament and the EMF.*

*9. The issue of Eurosecurities shall be subject to robust institutional and administrative supervision in accordance with the highest standards and best practices of agencies currently managing sovereign debt in the Member States.*

Or. en

**Amendment 211**  
**Anni Podimata**

**Proposal for a regulation**  
**Article 2 b (new)**

*Text proposed by the Commission*

*Amendment*

*Article 2b*

*Common eurobonds*

*1. Common eurobonds in the euro area shall be established with the aim of reinforcing discipline and compliance with the Stability and Growth Pact. Eurobonds shall be introduced only once the criteria in this Article have been met, including a comprehensive impact assessment. Eurobonds shall be established and shall function in accordance with the relevant provisions of the TFEU.*

*Eurobonds shall not increase the quantity of debt.*

*They shall be issued in exchange, at market price, of existing national bonds or in place of national bonds issuance.*

*2. The participation for the issuance of eurobonds shall be subject to compliance with the Stability and Growth Pact and shall be decided upon by the Council on a recommendation of the Commission. Member States shall participate only if they fulfil the criteria on debt and deficit levels as laid down in the Stability and Growth Pact.*

*The Council may, on a recommendation of the Commission, on a case-by-case basis decide that a Member State facing exceptional circumstances can participate or continue its participation.*

*3. Eurobonds may pool a percentage of GDP of national debt of each Member State no higher than the SGP criteria. Common debt shall be senior debt and shall take priority to all other debts issued*

*by the Member States.*

*4. Member States with a derogation may participate.*

*5. The issue of eurobonds shall be subject to robust institutional and administrative supervision in accordance with the highest standards and best practices of agencies currently managing sovereign debt in the Member States.*

Or. en

**Amendment 212**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 2 b (new)**

*Text proposed by the Commission*

*Amendment*

*Article 2b*

*Common eurobonds*

*1. Common eurobonds in the euro area shall be established with the aim of reinforcing discipline and compliance with the Stability and Growth Pact. Eurobonds shall be introduced only once the criteria in this Article have been met, including a comprehensive impact assessment. Eurobonds shall be established and shall function in accordance with the relevant provisions of the TFEU.*

*Eurobonds shall not increase the quantity of debt.*

*They shall be issued in exchange, at market price, of existing national bonds or in place of national bonds issuance.*

*2. The participation for the issuance of eurobonds shall be subject to strict conditionality consistent with the principles and objectives of the Union as laid down in the TEU and the TFEU.*

***3. Eurobonds may pool up to 60% of GDP of the national debt of each Member State. Common debt shall be senior debt and shall take priority over all other debts issued by the Member States.***

***4. Member States with a derogation may participate***

***5. The issue of eurobonds shall be subject to robust institutional and administrative supervision in accordance with the highest standards and best practices of agencies currently managing sovereign debt in the Member States.***

Or. en

**Amendment 213**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Article 2 c (new)**

*Text proposed by the Commission*

*Amendment*

***Article 2c***

***Eurobonds***

***1. Eurobonds in the euro area shall be established with the aim of reinforcing discipline and compliance with the Stability and Growth Pact as well as strengthening budgetary and economic coordination. Eurobonds shall be introduced only once the criteria in this Article have been met, including a comprehensive impact assessment. Eurobonds shall be established and shall function in accordance with the relevant provisions of the TFEU.***

***Eurobonds shall not increase the quantity of debt.***

***They shall be issued in exchange, at market price, of existing national bonds or in place of national bonds issuance.***

***2. The participation for the issuance of eurobonds shall be addressed to incentivize compliance with the Stability and Growth Pact and shall be decided upon by the Council on a recommendation of the Commission.***

***3. Eurobonds may pool up to 40% of GDP of national debt of each Member State. Common debt shall be senior debt and shall take priority to all other debts issued by the Member States.***

***4. The issue of eurobonds shall be subject to robust institutional and administrative supervision in accordance with the highest standards and best practices of agencies currently managing sovereign debt in the Member States.***

Or. en

**Amendment 214  
Edward Scicluna**

**Proposal for a regulation  
Article 2 c (new)**

*Text proposed by the Commission*

*Amendment*

***Article 2c***

***Revenues from unused payments appropriations***

***Revenues arising from unused payments appropriations in the Union budget may be carried over into the following year's Union budget, and allocated to programmes conducive to the Union's priorities set out in Article 9 of the Treaty.***

Or. en

**Amendment 215**

**José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo**

**Proposal for a regulation**

**Article 2 c (new)**

*Text proposed by the Commission*

*Amendment*

**Article 2c**

***Permanent crisis mechanism.***

***1. A permanent crisis mechanism which is credible, robust, lasting and grounded in the essential technical realities should be established under the ordinary legislative procedure and inspired by the Union method to safeguard the financial stability of the euro area.***

***2 The permanent crisis mechanism should be based on solidarity, managed by the EMF, subject to strict conditionality rules and financed, inter alia, by innovative financing tools and/or by the fines applied to Member States as the outcome of excessive deficit proceedings or of measures in relation to excessive debt or excessive imbalances;***

***3. The permanent crisis mechanism should be implemented as soon as possible in order to ensure stability in the markets and to reinforce certainty as regards bonds that have been issued before the setting up of the permanent crisis mechanism;***

***4. Member States outside the euro area should be involved in the creation of such a mechanism and that those Member States which are willing to participate in the mechanism should have such a possibility;***

***5. Policy responses to the specific recommendations addressed to Member States in the framework of the ‘European Semester’ should be specifically taken into account when implementing the proposals currently being discussed by the***

*European Council, especially those referred to the position of investors savers and market participants.*

Or. en

**Amendment 216**

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

**Proposal for a regulation**

**Article 2 d (new)**

*Text proposed by the Commission*

*Amendment*

*Article 2d*

*Project bonds*

*1. Project bonds to finance projects with long term commercial potential shall be established based on the Union method to complement the Stability and Growth Pact and the economic governance framework with a Union strategy for growth and jobs, which aims at boosting the Union competitiveness and social stability.*

*2. The EMF shall submit to the Commission the proposal of an issuance of Eurosecurities. Commission shall immediately forward it to the European Parliament and the Council. Council shall approve or reject the proposal on a recommendation from the Commission.*

*3. The European budget would be used to improve the project bonds rating in order to attract funding from other financial institutions and from private investors on the capital market such as pension funds and insurers.*

Or. en

**Amendment 217**

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

**Proposal for a regulation**

**Article 2 e (new)**

*Text proposed by the Commission*

*Amendment*

**Article 2e**

***Enhance the European economic growth***

***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 218**

**Philippe Lamberts**

**Proposal for a regulation**

**Chapter 2 – title**

*Text proposed by the Commission*

*Amendment*

Sanctions in the preventive part of the Stability and Growth Pact

Sanctions ***and incentives*** in the preventive part of the Stability and Growth Pact

Or. en

**Amendment 219**

**Antolín Sánchez Presedo**

**Proposal for a regulation**

**Article -3 (new)**



*Text proposed by the Commission*

*Amendment*

**Article -3**

***All Member States must cooperate closely among each other in the fulfilment of the objectives of the Stability and Growth Pact. Spill over effects of and on national policies shall be taken into account when assessing the sanctions described in this Chapter.***

Or. en

**Amendment 220**

**Miguel Portas**

**Proposal for a regulation**

**Article 3**

*Text proposed by the Commission*

*Amendment*

***Interest-bearing deposit***

***deleted***

***1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting or particularly serious and significant deviations from prudent fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, the lodging of an interest bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The decision shall be deemed to be adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.***

***2. The interest-bearing deposit to be proposed by the Commission shall amount to 0.2% of the gross domestic product (GDP) of the Member State concerned in***

*the preceding year.*

**3. The deposit shall bear the interest rate reflecting the Commission credit risk and the relevant investment period.**

**4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council recommendation referred to in paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.**

**5. If the situation giving rise to the recommendation referred to in paragraph 1 no longer subsists, the Council, on the basis of a proposal from the Commission, shall decide that the deposit and the interest accrued thereon are returned to the Member State concerned. The Council may amend the Commission proposal in accordance with Article 293(1) of the Treaty.**

Or. pt

## **Amendment 221**

**Arturs Krišjānis Kariņš**

### **Proposal for a regulation**

#### **Article 3 – paragraph 1**

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

1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting or particularly serious and significant deviations from prudent fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, the lodging of an interest bearing deposit shall be imposed by the **Council, acting on a proposal from the Commission. The decision shall be deemed to be adopted by**

##### *Amendment*

1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting or particularly serious and significant deviations from prudent fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, the lodging of an interest bearing deposit shall be imposed by the Commission.

*the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.*

Or. en

**Amendment 222**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 3 – paragraph 1**

*Text proposed by the Commission*

1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting or particularly serious and significant deviations from *prudent* fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, the lodging of an interest bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. ***The decision shall be deemed to be adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it.*** The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting or particularly serious and significant deviations from ***the medium-term budgetary objective, or from the appropriate adjustment path towards it*** fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, the lodging of an interest bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 223**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 3 – paragraph 1**

*Text proposed by the Commission*

1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting or particularly serious and significant deviations from **prudent** fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, the lodging of an interest bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The decision shall be deemed to be adopted by the Council unless it decides by **qualified** majority to reject the proposal within **ten** days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting or particularly serious and significant deviations from **sustainable** fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, **and whenever credits referred to in article 2a reach a negative value** the lodging of an interest bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The decision shall be deemed to be adopted by the Council unless it decides by **simple** majority to reject the proposal within **thirty** days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 224**  
**Jürgen Klute**

**Proposal for a regulation**  
**Article 3 – paragraph 1**

*Text proposed by the Commission*

1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting **or** particularly serious and significant deviations from prudent fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, the lodging of an interest bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The decision shall be deemed to be adopted by

*Amendment*

1. If the Council addresses to a Member State a recommendation in accordance with Article 121(4) of the Treaty to take the necessary adjustment measures in the event of persisting **and** particularly serious and significant deviations from prudent fiscal policy-making as laid down in Article 6(3) of Regulation (EC) No 1466/97, the lodging of an interest bearing deposit shall be imposed by the Council, acting on a proposal from the Commission **and after consulting the European Parliament**. The

the Council unless it decides by **qualified** majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

decision shall be deemed to be adopted by the Council unless it decides by **simple** majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 225**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 3 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. The Member State concerned may ask the European Parliament to organise public hearings in its competent committee. Such hearings shall allow the government of the Member State concerned to make its case in the presence of the Commission and the President of the Euro-group. It will take place within the 10-day deadline referred to in paragraph 1. Representatives, at an appropriate level, of the European Central Bank shall be invited.***

Or. en

**Amendment 226**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Article 3 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. The Member State concerned may ask the European Parliament to organise hearings or public debates in its***

*competent committee. Such hearings or public debates shall allow the government of the Member State concerned to make its case in the presence of the Commission and the President of the Euro Group. It will take place within the 10-day deadline referred to in paragraph 1. Representatives, at an appropriate level, of the European Central Bank shall be invited.*

Or. en

**Amendment 227**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Article 3 – paragraph 2**

*Text proposed by the Commission*

2. The interest-bearing deposit to be proposed by the Commission shall amount to 0.2% of the gross domestic product (GDP) of the Member State concerned in the preceding year.

*Amendment*

2. The interest-bearing deposit to be proposed by the Commission shall ***be proportionate to the deviation and its evolution taking into account all the appropriate circumstances. It shall amount to no more than 0.2% of the gross domestic product (GDP) of the Member State concerned using the latest available figures collected by Eurostat for*** in the preceding year.

Or. en

**Amendment 228**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 3 – paragraph 2**

*Text proposed by the Commission*

2. The interest-bearing deposit to be proposed by the Commission shall amount

*Amendment*

2. The interest-bearing deposit to be proposed by the Commission shall amount

to 0.2% of the gross domestic product (GDP) of the Member State concerned in the preceding year.

to ***no more than*** 0.2% of the gross domestic product (GDP) of the Member State concerned ***using the latest available figures collected by Eurostat*** in the preceding year.

Or. en

#### **Amendment 229**

**Arturs Krišjānis Kariņš**

#### **Proposal for a regulation**

#### **Article 3 – paragraph 2**

*Text proposed by the Commission*

2. The interest-bearing deposit to be ***proposed*** by the Commission shall amount to 0.2% of the gross domestic product (GDP) of the Member State concerned in the preceding year.

*Amendment*

2. The interest-bearing deposit to be ***imposed*** by the Commission shall amount to 0.2% of the gross domestic product (GDP) of the Member State concerned in the preceding year.

Or. en

#### **Amendment 230**

**Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark**

#### **Proposal for a regulation**

#### **Article 3 – paragraph 2**

*Text proposed by the Commission*

2. The interest-bearing deposit to be proposed by the Commission shall amount to 0.2% of the gross domestic product (GDP) of the Member State concerned in the preceding year.

*Amendment*

2. The interest-bearing deposit to be proposed by the Commission shall amount to 0.4% of the gross domestic product (GDP) of the Member State concerned in the preceding year.

Or. en

**Amendment 231**

**Jürgen Klute**

**Proposal for a regulation**

**Article 3 – paragraph 2**

*Text proposed by the Commission*

2. The interest-bearing deposit to be proposed by the Commission shall amount to 0.2% of the gross domestic product (GDP) of the Member State concerned in the preceding year.

*Amendment*

2. The interest-bearing deposit to be proposed by the Commission shall amount to 0.01% of the gross domestic product (GDP) of the Member State concerned in the preceding year.

Or. en

**Amendment 232**

**Wolf Klinz, Gunnar Hökmark**

**Proposal for a regulation**

**Article 3 – paragraph 4**

*Text proposed by the Commission*

***4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council recommendation referred to in paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.***

*Amendment*

*deleted*

Or. en

**Amendment 233**

**Olle Schmidt**

**Proposal for a regulation**

**Article 3 – paragraph 4**

*Text proposed by the Commission*

***4. By derogation from paragraph 2, the Commission, following a reasoned request***

*Amendment*

*deleted*



***by the Member State concerned addressed to the Commission within ten days of adoption of the Council recommendation referred to on paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.***

Or. en

*Justification*

*The request reductions or cancellations of fines restrict the automaticity of the procedures. The full implementation of the rules and procedures is to be ensured in order to safeguard the credibility of the economic governance framework, therefore should escape clauses be avoided.*

**Amendment 234**

**Astrid Lulling**

**Proposal for a regulation**

**Article 3 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

***4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council recommendation referred to on paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.***

***deleted***

Or. en

*Justification*

*The strengthened decision-making procedures proposed by the Commission go in the right direction of a rules-based quasi-automatic regime. These provisions should remain stringent without loopholes or considerable room for discretion.*

**Amendment 235**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 3 – paragraph 4**

*Text proposed by the Commission*

4. By derogation from paragraph 2, the Commission, ***following a reasoned request by the Member State concerned addressed to the Commission*** within ten days of adoption of the Council recommendation referred to on paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.

*Amendment*

4. By derogation from paragraph 2, the Commission, within ten days of adoption of the Council recommendation referred to on paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it ***in order to take account of any cumulative effect of any sanction imposed in regard of Regulation (EU) No .../2010 on enforcement measures to correct excessive macro-economic imbalances in the euro area and Regulation (EU) no .../2010 on speeding up and clarifying the implementation of the excessive deficit procedure.***

Or. en

**Amendment 236**  
**Arturs Krišjānis Kariņš**

**Proposal for a regulation**  
**Article 3 – paragraph 4**

*Text proposed by the Commission*

4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council recommendation referred to on paragraph 1, may ***propose to*** reduce the amount of the interest-bearing deposit or to cancel it.

*Amendment*

4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council recommendation referred to on paragraph 1, may reduce the amount of the interest-bearing deposit or to cancel it.

Or. en

**Amendment 237**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 3 – paragraph 4**

*Text proposed by the Commission*

4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within **ten** days of adoption of the Council recommendation referred to on paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.

*Amendment*

4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within **thirty** days of adoption of the Council recommendation referred to on paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.

Or. en

**Amendment 238**  
**Jürgen Klute**

**Proposal for a regulation**  
**Article 3 – paragraph 4**

*Text proposed by the Commission*

4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within **ten** days of adoption of the Council recommendation referred to on paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.

*Amendment*

4. By derogation from paragraph 2, the Commission, following a reasoned request by the Member State concerned addressed to the Commission within **50** days of adoption of the Council recommendation referred to on paragraph 1, may propose to reduce the amount of the interest-bearing deposit or to cancel it.

Or. en

**Amendment 239**  
**Arturs Krišjānis Kariņš**

**Proposal for a regulation**  
**Article 3 – paragraph 5**

*Text proposed by the Commission*

5. If the situation giving rise to the recommendation referred to in paragraph 1 no longer subsists, the **Council, on the basis of a proposal from the Commission**, shall decide that the deposit and the interest accrued thereon are returned to the Member State concerned. **The Council may amend the Commission proposal in accordance with Article 293(1) of the Treaty.**

*Amendment*

5. If the situation giving rise to the recommendation referred to in paragraph 1 no longer subsists, the Commission shall decide that the deposit and the interest accrued thereon are returned to the Member State concerned.

Or. en

**Amendment 240**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 3 – paragraph 5**

*Text proposed by the Commission*

5. If the situation giving rise to the recommendation referred to in paragraph 1 no longer **subsists**, the Council, on the basis of a proposal from the Commission, shall decide that the deposit and the interest accrued thereon are returned to the Member State concerned. The Council may amend the Commission proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

5. If the situation giving rise to the recommendation referred to in paragraph 1 no longer **exists**, the Council, on the basis of a proposal from the Commission, shall decide that the deposit and the interest accrued thereon are returned to the Member State concerned. The Council may amend the Commission proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 241**  
**José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain**

**Proposal for a regulation**  
**Article 3 – paragraph 5 a (new)**

*Text proposed by the Commission*

*Amendment*

***5a. Policy responses to the specific recommendations addressed to Member States in the framework of the ‘European Semester’ should be specifically taken into account for the measures referred to in this article.***

Or. en

**Amendment 242**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 3 – paragraph 5 a (new)**

*Text proposed by the Commission*

*Amendment*

***5a. If the Council refuses to consider that the situation has ceased to exist’, the Member State concerned may ask the competent committee in the European Parliament to organise public hearings.***

Or. en

**Amendment 243**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 3 – paragraph 5 a (new)**

*Text proposed by the Commission*

*Amendment*

***5a. By derogation from paragraph 2 of this Article, in case of severe economic downturn the Council may delay the application of the sanction already decided for a period deemed appropriate after taking into account all relevant factors.***

**Amendment 244**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Article 3 – paragraph 5 a (new)**

*Text proposed by the Commission*

*Amendment*

***5a. If the Council refuses to consider that the situation has ceased to subsist, the Member State concerned may ask the competent committee in the European Parliament to organise a hearing.***

**Amendment 245**  
**Antolín Sánchez Presedo**

**Proposal for a regulation**  
**Article -4 (new)**

*Text proposed by the Commission*

*Amendment*

***Article -4***

***All Member States must cooperate closely among each other in the fulfilment of the objectives of the Stability and Growth Pact. Spill over effects of and on national policies shall be taken into account when assessing the sanctions described in this Chapter.***

**Amendment 246**  
**Miguel Portas**

**Proposal for a regulation**  
**Article 4**

***Non-interest-bearing deposit***

***deleted***

***1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, the lodging of a non-interest-bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The decision shall be deemed to be adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.***

***2. The non-interest-bearing deposit to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.***

***3. If the Member State has an interest-bearing deposit lodged with the Commission in accordance with Article 3, the interest-bearing deposit shall be converted into a non-interest-bearing deposit.***

***If the size of the previously lodged interest-bearing deposit and of the interest accrued exceeds the size of the required non-interest-bearing deposit, the outstanding amount shall be returned to the Member State.***

***If the size of the required non-interest-bearing deposit exceeds the size of the previously lodged interest-bearing deposit and the interest accrued thereon, the Member State shall make up the outstanding amount when it lodges the non-interest-bearing deposit.***

***4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the***

*Commission within ten days of adoption of the Council decision in accordance with Article 126(6) of the Treaty, propose to reduce the amount of the non-interest-bearing deposit or to cancel it.*

Or. pt

**Amendment 247**  
**Arturs Krišjānis Kariņš**

**Proposal for a regulation**  
**Article 4 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, the lodging of a non-interest-bearing deposit shall be imposed by the **Council, acting on a proposal from the Commission. The decision shall be deemed adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.**

*Amendment*

1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, the lodging of a non-interest-bearing deposit shall be imposed by the Commission.

Or. en

**Amendment 248**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 4 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, the lodging of a non-interest-bearing

*Amendment*

1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, the lodging of a non-interest-bearing



deposit shall be imposed by the Council, acting on a proposal from *the Commission*. ***The decision shall be deemed adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it.*** The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

deposit shall be imposed by the Council, acting on a proposal from the Commission. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 249**  
**Jürgen Klute**

**Proposal for a regulation**  
**Article 4 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, the lodging of a non-interest-bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The decision shall be deemed adopted by the Council unless it decides by ***qualified*** majority to reject the proposal within ***ten*** days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, the lodging of a non-interest-bearing deposit shall be imposed by the Council, acting on a proposal from the Commission ***after consulting the European Parliament and informing the Parliament of the Member State under procedure.*** The decision shall be deemed adopted by the Council unless it decides by ***simple*** majority to reject the proposal within ***60*** days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 250**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 4 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, the lodging of a non-interest-bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The decision shall be deemed adopted by the Council unless it decides by **qualified** majority to reject the proposal within **ten** days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

1. If the Council decides in accordance with Article 126(6) of the Treaty that an excessive deficit exists in a Member State, **and whenever credits referred to in article 2a reach a negative value** the lodging of a non-interest-bearing deposit shall be imposed by the Council, acting on a proposal from the Commission. The decision shall be deemed adopted by the Council unless it decides by **simple** majority to reject the proposal within **thirty** days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 251**

**Antolín Sánchez Presedo**

**Proposal for a regulation**

**Article 4 – paragraph 2**

*Text proposed by the Commission*

2. The non-interest-bearing deposit to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The non-interest-bearing deposit to be proposed by the Commission shall **be proportionate to the deviation and its evolution taking into account all the appropriate circumstances. It shall** amount to **no more than** 0.2% of the GDP of the Member State concerned **using the latest available figures collected by Eurostat for** in the preceding year.

Or. en

**Amendment 252**

**Jürgen Klute**

**Proposal for a regulation**

**Article 4 – paragraph 2**

*Text proposed by the Commission*

2. The non-interest-bearing deposit to be proposed by the Commission shall **amount to** 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The non-interest-bearing deposit to be proposed by the Commission shall **not exceed 0.02%** of the GDP of the Member State concerned in the preceding year.

Or. en

**Amendment 253**

**Arturs Krišjānis Kariņš**

**Proposal for a regulation**

**Article 4 – paragraph 2**

*Text proposed by the Commission*

2. The non-interest-bearing deposit to be **proposed** by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The non-interest-bearing deposit to be **imposed** by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

Or. en

**Amendment 254**

**Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark**

**Proposal for a regulation**

**Article 4 – paragraph 2**

*Text proposed by the Commission*

2. The non-interest-bearing deposit to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The non-interest-bearing deposit to be proposed by the Commission shall amount to 0.4% of the GDP of the Member State concerned in the preceding year.

Or. en

**Amendment 255**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 4 – paragraph 2**

*Text proposed by the Commission*

2. The non-interest-bearing deposit to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The non-interest-bearing deposit to be proposed by the Commission shall amount to **no more than** 0.2% of the GDP of the Member State concerned in the preceding year.

Or. en

**Amendment 256**  
**Jürgen Klute**

**Proposal for a regulation**  
**Article 4 – paragraph 3 – subparagraph 1**

*Text proposed by the Commission*

***If the Member State has an interest-bearing deposit lodged with the Commission in accordance with Article 3, the interest-bearing deposit shall be converted into a non-interest-bearing deposit.***

*Amendment*

***deleted***

Or. en

**Amendment 257**  
**Wolf Klinz, Gunnar Hökmark**

**Proposal for a regulation**  
**Article 4 – paragraph 4**

*Text proposed by the Commission*

***4. By derogation from paragraph 2 of this Article, the Commission may, on grounds***

*Amendment*

***deleted***

*of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council decision in accordance with Article 126(6) of the Treaty, propose to reduce the amount of the non-interest-bearing deposit or to cancel it.*

Or. en

**Amendment 258**

**Olle Schmidt**

**Proposal for a regulation**

**Article 4 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

*4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council decision in accordance with Article 126(6) of the Treaty, propose to reduce the amount of the non-interest-bearing deposit or to cancel it.*

*deleted*

Or. en

*Justification*

*The request reductions or cancellations of fines restrict the automaticity of the procedures. The full implementation of the rules and procedures is to be ensured in order to safeguard the credibility of the economic governance framework, therefore should escape clauses be avoided.*

**Amendment 259**

**Astrid Lulling**

**Proposal for a regulation**

**Article 4 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council decision in accordance with Article 126(6) of the Treaty, propose to reduce the amount of the non-interest-bearing deposit or to cancel it.**

**deleted**

Or. en

#### **Amendment 260**

**Jürgen Klute**

#### **Proposal for a regulation**

#### **Article 4 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a **reasoned** request by the Member State concerned addressed to the Commission within **ten** days of adoption of the Council decision in accordance with Article 126(6) of the Treaty, propose to reduce the amount of the non-interest-bearing deposit or to cancel it.

4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional **or social** economic circumstances or following a request by the Member State concerned addressed to the Commission within **50** days of adoption of the Council decision in accordance with Article 126(6) of the Treaty, propose to reduce the amount of the non-interest-bearing deposit or to cancel it.

Or. en

#### **Amendment 261**

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

#### **Proposal for a regulation**

#### **Article 4 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. Policy responses to the specific recommendations addressed to Member States in the framework of the ‘European Semester’ should be specifically taken into account for the measures referred to in this article.***

Or. en

**Amendment 262**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 4 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. By derogation from paragraph 2 of this Article, 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 263**  
**Jürgen Klute**

**Proposal for a regulation**  
**Article 5**

*Text proposed by the Commission*

*Amendment*

***Fine***

***deleted***

***1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid***

*down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall pay a fine. The decision shall be deemed adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.*

*2. The fine to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.*

*3. If the Member State has a non-interest-bearing deposit lodged with the Commission in accordance with Article 4, the non-interest-bearing deposit shall be converted into the fine.*

*If the size of the previously lodged non-interest-bearing deposit exceeds the size of the required fine, the outstanding amount shall be returned to the Member State.*

*If the size of the required fine exceeds the size of the previously lodged non-interest-bearing deposit, or if no non-interest-bearing deposit has been previously lodged, the Member State shall make up the outstanding amount when it pays the fine.*

*4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the fine.*

Or. en



**Amendment 264**  
**Miguel Portas**

**Proposal for a regulation**  
**Article 5**

*Text proposed by the Commission*

*Amendment*

*Fine*

*deleted*

*1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall pay a fine. The decision shall be deemed adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.*

*2. The fine to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.*

*3. If the Member State has a non-interest-bearing deposit lodged with the Commission in accordance with Article 4, the non-interest-bearing deposit shall be converted into the fine.*

*If the size of the previously lodged non-interest-bearing deposit exceeds the size of the required fine, the outstanding amount shall be returned to the Member State.*

*If the size of the required fine exceeds the size of the previously lodged non-interest-bearing deposit, or if no non-interest-bearing deposit has been previously lodged, the Member State shall make up the outstanding amount when it pays the fine.*

*4. By derogation from paragraph 2 of this*

*Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the fine.*

Or. pt

#### **Amendment 265**

**Arturs Krišjānis Kariņš**

#### **Proposal for a regulation**

#### **Article 5 – paragraph 1**

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

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the **Council, acting on a proposal from the Commission**, shall decide that the Member State shall pay a fine. **The decision shall be deemed adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.**

##### *Amendment*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Commission shall decide that the Member State shall pay a fine.

Or. en

#### **Amendment 266**

**Edward Scicluna**

#### **Proposal for a regulation**

#### **Article 5 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall pay a fine. The decision shall be *deemed* adopted by the Council *unless it decides* by qualified majority *to reject the proposal within ten days of the Commission adopting it*. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall pay a fine. *In respect of Member States who have been admitted to ERM II this sanction shall not apply. In respect of Article 153 of the Treaty, no fine will be levied if the fine is related to a recommendation concerning the issue of pay and/or collective bargaining in the public sector.* The decision shall be adopted by the Council by *a* qualified majority. The Council may amend the proposal in accordance with Article 293 (1) of the Treaty.

Or. en

**Amendment 267**  
**Jürgen Klute**

**Proposal for a regulation**  
**Article 5 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has *not* taken effective action in response to a Council recommendation *within the period laid down*, the Council, acting on a proposal from the Commission, *shall* decide that the Member State shall pay a *fine*. The decision shall be *deemed* adopted by the Council *unless it decides* by qualified majority *to reject the proposal within ten days of the Commission adopting it*. The Council may amend the proposal in

*Amendment*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has *nor* taken effective action in response to a Council recommendation *and has neither given explanation for deviating from the recommendations*, the Council, acting on a proposal from the Commission *and after consulting the European Parliament*, may decide that the Member State shall pay a *non-interest bearing deposit. In respect of article 153 of the Treaty, no sanction will be enforced if it is related to a*

accordance with Article 293(1) of the Treaty.

***recommendation concerning the issue of pay and/or collective bargaining in the public sector.*** The decision shall be adopted by the Council by qualified majority. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 268**  
**Thomas Händel**

**Proposal for a regulation**  
**Article 5 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall pay a fine. The decision shall be ***deemed*** adopted by the Council ***unless it decides*** by qualified majority ***to reject the proposal within ten days of the Commission adopting it.*** The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall pay a fine. ***In respect of article 153 of the Treaty, no fine will be levied if the fine is related to a recommendation concerning the issue of pay and/or collective bargaining in the public sector.*** The decision shall be adopted by the Council by ***deciding by*** qualified majority. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

*Justification*

*The ‘reversed quality majority voting’, as proposed by the Commission, poses several problems: a) It is fundamentally anti democratic: With the help of a (silent) consenting minority in the Council, this voting system provides the Commission, a non elected body, far reaching powers to intervene in individual member states and overrule national economic and social policy choice. b) It may worsen the de facto discrimination between big and small member states. Whereas the bigger member states may work with their peers to find a*

*qualified blocking majority, this possibility is excluded for smaller member states. c) It opens the way for abusing “Europe” as an alibi to push through a liberal agenda of deregulation, even if this is against the preferences of national citizens. ‘Deregulation’ however will not ‘save the euro’ but will instead intensify both the crisis as well as inequalities. In the end, this will feed into popular nationalist resistance against European integration as such. d) With economic deregulation becoming subject to minority approval, whereas social Europe needs political unanimity, the European project will become totally unbalanced. It is a manipulation of the text and spirit of the European Treaty which is stating that ‘qualified majority voting’ is the norm, not ‘silent minority voting’.*

**Amendment 269**  
**Olle Schmidt**

**Proposal for a regulation**  
**Article 5 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall **pay a fine**. The decision shall be deemed adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that **structural funds provided by the EU to the Member State shall be suspended**. The decision shall be deemed adopted by the Council unless it decides by qualified majority to reject the proposal within ten days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 270**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 5 – paragraph 1**

*Text proposed by the Commission*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall pay a fine. The decision shall be deemed adopted by the Council unless it decides by **qualified** majority to reject the proposal within **ten** days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

*Amendment*

1. If the Council decides in accordance with Article 126(8) of the Treaty that the Member State has not taken effective action in response to a Council recommendation within the period laid down, the Council, acting on a proposal from the Commission, shall decide that the Member State shall pay a fine. The decision shall be deemed adopted by the Council unless it decides by **simple** majority to reject the proposal within **thirty** days of the Commission adopting it. The Council may amend the proposal in accordance with Article 293(1) of the Treaty.

Or. en

**Amendment 271**

**Edward Scicluna**

**Proposal for a regulation**

**Article 5 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. In the event that a Member State manipulates financial data, falsifies statistics or provides misleading information on its public finances, the Council, acting on a proposal from the Commission, may adopt a decision requiring the Member State to pay a fine. The Council may amend the Commission's proposal in accordance with Article 293 (1) TFEU.***

Or. en

**Amendment 272**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 5 – paragraph 2**

*Text proposed by the Commission*

2. The fine to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The fine to be proposed by the Commission shall amount to ***no more than*** 0.2% of the GDP of the Member State concerned ***using the latest available figures collected by Eurostat*** in the preceding year.

Or. en

**Amendment 273**  
**Olle Schmidt**

**Proposal for a regulation**  
**Article 5 – paragraph 2**

*Text proposed by the Commission*

2. The ***fine*** to be proposed by the Commission shall ***amount to 0.2% of the GDP of the Member State concerned in the preceding year.***

*Amendment*

2. The ***suspension of funds*** to be proposed by the Commission shall ***be appropriate and proportional.***

Or. en

**Amendment 274**  
**Ildikó Gáll-Pelcz**

**Proposal for a regulation**  
**Article 5 – paragraph 2**

*Text proposed by the Commission*

2. The fine to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The fine to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year, ***while its upper limit must***

*not exceed 0.5% of GDP.*

Or. hu

**Amendment 275**

**Jürgen Klute**

**Proposal for a regulation**

**Article 5 – paragraph 2**

*Text proposed by the Commission*

2. The **fine** to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The **non-interest bearing deposit** to be proposed by the Commission shall amount to 0.02% of the GDP of the Member State concerned in the preceding year.

Or. en

**Amendment 276**

**Arturs Krišjānis Kariņš**

**Proposal for a regulation**

**Article 5 – paragraph 2**

*Text proposed by the Commission*

2. The fine to be **proposed** by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

*Amendment*

2. The fine to be **imposed** by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

Or. en

**Amendment 277**

**Wolf Klinz, Anneli Jäätteenmäki, Gunnar Hökmark**

**Proposal for a regulation**

**Article 5 – paragraph 2**



*Text proposed by the Commission*

*Amendment*

2. The fine to be proposed by the Commission shall amount to 0.2% of the GDP of the Member State concerned in the preceding year.

2. The fine to be proposed by the Commission shall amount to 0.4% of the GDP of the Member State concerned in the preceding year.

Or. en

#### **Amendment 278**

**Wolf Klinz, Gunnar Hökmark**

#### **Proposal for a regulation**

#### **Article 5 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

***4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the fine.***

***deleted***

Or. en

#### **Amendment 279**

**Olle Schmidt**

#### **Proposal for a regulation**

#### **Article 5 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

***4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the***

***deleted***

***Commission within ten days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the fine.***

Or. en

*Justification*

*The request reductions or cancellations of fines restrict the automaticity of the procedures. The full implementation of the rules and procedures is to be ensured in order to safeguard the credibility of the economic governance framework, therefore should escape clauses be avoided.*

**Amendment 280**  
**Astrid Lulling**

**Proposal for a regulation**  
**Article 5 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

***4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within ten days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the fine.***

***deleted***

Or. en

**Amendment 281**  
**Jürgen Klute**

**Proposal for a regulation**  
**Article 5 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

4. By derogation from paragraph 2 of this

4. By derogation from paragraph 2 of this

Article, the Commission may, on grounds of exceptional economic circumstances or following a *reasoned* request by the Member State concerned addressed to the Commission within *ten* days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the *fine*.

Article, the Commission may, on grounds of exceptional economic *or social* circumstances or following a request by the Member State concerned addressed to the Commission within *50* days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the *non-interest bearing deposit*.

Or. en

**Amendment 282**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 5 – paragraph 4**

*Text proposed by the Commission*

4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within *ten* days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the fine.

*Amendment*

4. By derogation from paragraph 2 of this Article, the Commission may, on grounds of exceptional economic circumstances or following a reasoned request by the Member State concerned addressed to the Commission within *thirty* days of adoption of the Council decision in accordance with Article 126(8) of the Treaty, propose to cancel or to reduce the amount of the fine.

Or. en

**Amendment 283**  
**José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo, Pablo Zalba Bidegain**

**Proposal for a regulation**  
**Article 5 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. Policy responses to the specific recommendations addressed to Member States in the framework of the ‘European Semester’ should be specifically taken***

*into account for the measures referred to in this article.*

Or. en

**Amendment 284**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 5 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. By derogation from paragraph 2 of this Article, in case of severe economic downturn the Council may delay the application of the sanction already decided for a period deemed appropriate after taking into account all relevant factors.***

Or. en

**Amendment 285**  
**Elisa Ferreira**

**Proposal for a regulation**  
**Article 5 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. 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 286**  
**Sharon Bowles**

**Proposal for a regulation**  
**Article 5 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 5a**

***Treatment of sovereign Debt in Capital Requirements***

***1. When a warning has been issued under Article 1 paragraph 1 point 5 (new) of the amendment of Regulation (EC) 1466/97 or a Member State is subject to procedures under Articles 3, 4 or 5, the sovereign debt of that Member State held by any financial institution subject to EU regulation shall no longer be eligible:***

***a) for zero risk weighting in respect of capital requirements,***

***b) as liquid assets***

***c) for exclusions from prohibition and concentration rules on asset holdings. Directives and Regulations shall be amended accordingly.***

***2. The Commission may apply this provision as an alternative or at an earlier stage to fines or deposits. The Commission may also recommend a partial or phased withdrawal of the eligibility***

Or. en

**Amendment 287**  
**Miguel Portas**

**Proposal for a regulation**  
**Article 6**

*Text proposed by the Commission*

*Amendment*

***Return of the non-interest-bearing deposit***                      ***deleted***

***If the Council decides in accordance with Article 126(12) of the Treaty to abrogate some or all of its decisions, any non-interest-bearing deposit lodged by the Member State with the Commission shall be returned to the Member State concerned.***

Or. pt

**Amendment 288**

**Miguel Portas**

**Proposal for a regulation**

**Article 7**

*Text proposed by the Commission*

*Amendment*

***Distribution of the interest and fines***                      ***deleted***

***The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall constitute other revenue referred to in Article 311 of the Treaty, and shall be distributed, in proportion to their share in the gross national income of the eligible Member States, among Member States whose currency is the euro which do not have an 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 [.../...].***

Or. pt

**Amendment 289**  
**Jürgen Klute**

**Proposal for a regulation**  
**Article 7 – title**

*Text proposed by the Commission*

*Amendment*

***Distribution*** of the interest ***and fines***

*Use* of the interest

Or. en

**Amendment 290**  
**Edward Scicluna**

**Proposal for a regulation**  
**Article 7 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall ***constitute other revenue referred to in Article 311 of the Treaty, and shall be distributed, in proportion to their share in the gross national income of the eligible Member States, among Member States whose currency is the euro which do not have an 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 [.../...].***

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall be ***credited*** to the ***fund referred to*** in Article 2(a).

Or. en

**Amendment 291**  
**José Manuel García-Margallo y Marfil**

**Proposal for a regulation**  
**Article 7 – paragraph 1**

*Text proposed by the Commission*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall ***constitute other revenue referred to in Article 311 of the Treaty, and shall be distributed, in proportion to their share in the gross national income of the eligible Member States, among Member States whose currency is the euro which do not have an 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 [.../...].***

*Amendment*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall be ***credited*** to the ***fund referred to*** in Article 2a.

Or. en

**Amendment 292**

**Astrid Lulling**

**Proposal for a regulation**

**Article 7 – paragraph 1**

*Text proposed by the Commission*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall ***constitute other revenue referred to in Article 311 of the Treaty, and shall be distributed, in proportion to their share in the gross national income of the eligible Member States, among Member States whose currency is the euro which do not have an 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 [.../...].***

*Amendment*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall be ***credited*** to the ***mechanism referred to*** in Article [2b].

Or. en



**Amendment 293**  
**Burkhard Balz**

**Proposal for a regulation**  
**Article 7 – paragraph 1**

*Text proposed by the Commission*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall ***constitute other revenue referred to in Article 311 of the Treaty, and shall be distributed, in proportion to their share in the gross national income of the eligible Member States, among Member States whose currency is the euro which do not have an 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 [.../...].***

*Amendment*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall be ***allocated*** to the ***stability mechanism for*** Member States whose currency is the euro. ***Until the establishment of this mechanism the interest and the fines shall be credited to the European Financial Stability Facility.***

Or. en

**Amendment 294**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 7 – paragraph 1**

*Text proposed by the Commission*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall constitute other revenue referred to in Article 311 of the Treaty, and shall be ***distributed, in proportion to their share in the gross national income of the eligible Member States, among Member States whose currency is the euro which do not have an***

*Amendment*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall constitute other revenue referred to in Article 311 of the Treaty, and shall be ***allocated as guarantees for EU relevant projects financed by the European Investment Bank in conformity with provisions of Protocol n°5 of the Treaty.***

*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 [.../...].*

Or. en

## **Amendment 295**

**Jürgen Klute**

### **Proposal for a regulation**

#### **Article 7 – paragraph 1**

*Text proposed by the Commission*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall constitute other revenue referred to in Article 311 of the Treaty, and shall be *distributed*, in *proportion to their share in the gross national income* of the *eligible Member States, among Member States whose currency is the euro which do not have an 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 [.../...].*

*Amendment*

The interest earned by the Commission on deposits lodged in accordance with Article 4 and the fines collected in accordance with Article 5 shall constitute other revenue referred to in Article 311 of the Treaty, and shall be *used in support of achieving the Union's long-term investment, jobs and growth objectives and, in particular, to close the gaps between the poorest and the richest Member States in the Union.*

Or. en

## **Amendment 296**

**Rodi Kratsa-Tsagaropoulou**

### **Proposal for a regulation**

#### **Article 7 – paragraph 1**

*Text proposed by the Commission*

The interest earned by the Commission on deposits lodged in accordance with Article

*Amendment*

The interest earned by the Commission on deposits lodged in accordance with Article

4 and the fines collected in accordance with Article 5 *shall constitute other revenue referred to in Article 311 of the Treaty, and shall be distributed, in proportion to their share in the gross national income of the eligible Member States, among Member States whose currency is the euro which do not have an 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 [.../...].*

4 and the fines collected in accordance with Article 5 *shall be entered in the Community budget.*

Or. en

**Amendment 297**  
**Sharon Bowles**

**Proposal for a regulation**  
**Article 7 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 7a*

*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 298**  
**Arturs Krišjānis Kariņš**

**Proposal for a regulation**  
**Article 8**

*Text proposed by the Commission*

*Amendment*

***Voting within the Council***

***deleted***

***For the measures referred to in Articles 3, 4 and 5, only members of the Council representing Member States whose currency is the euro shall vote and the Council shall act without taking into account the vote of the member of the Council representing the Member State concerned.***

***A qualified majority of the members of the Council mentioned in the previous paragraph shall be defined in accordance with Article 238(3)(a) of the Treaty.***

Or. en

**Amendment 299**  
**Miguel Portas**

**Proposal for a regulation**  
**Article 8**

*Text proposed by the Commission*

*Amendment*

***Voting within the Council***

***deleted***

***For the measures referred to in Articles 3, 4 and 5, only members of the Council representing Member States whose currency is the euro shall vote and the Council shall act without taking into account the vote of the member of the Council representing the Member State concerned.***

***A qualified majority of the members of the Council mentioned in the previous paragraph shall be defined in accordance***

*with Article 238(3)(a) of the Treaty.*

Or. pt

### **Amendment 300**

**Jürgen Klute**

#### **Proposal for a regulation**

#### **Article 8 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

*For the measures referred to in Articles 3, 4 and 5, only members of the Council representing Member States whose currency is the euro shall vote and the Council shall act without taking into account the vote of the member of the Council representing the Member State concerned.*

*deleted*

Or. en

### **Amendment 301**

**Philippe Lamberts**

#### **Proposal for a regulation**

#### **Article 8 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

A *qualified* majority of the members of the Council mentioned in the previous paragraph shall be defined in accordance with Article 238(3)(a) of the Treaty.

A *simple* majority of the members of the Council mentioned in the previous paragraph shall be defined in accordance with Article 238(3)(a) of the Treaty.

Or. en

**Amendment 302**

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

**Proposal for a regulation**

**Article 8 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*For the measures referred to in Articles 3, 4 and 5 only members of the Council representing Member States whose currency is the euro shall vote and the Council shall act without taking into account the vote of the member of the Council representing the Member State concerned and those which are in a situation of non-compliance with the Council recommendation to take corrective action under the Stability and Growth Pact or to address excessive macroeconomic imbalances.*

Or. en

**Amendment 303**

**Philippe Lamberts**

**Proposal for a regulation**

**Article 8 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*In order to increase public scrutiny, accountability and national ownership, when discussing and adopting the decisions referred to in Articles 3, 4, 5 and 6, Council deliberations will be open to the public in accordance with Article 8.3 of Council Decision 2006/683/EC of 15 September 2006 adopting the Council's Rules of Procedure.*

Or. en

**Amendment 304**  
**Astrid Lulling**

**Proposal for a regulation**  
**Article 8 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 8a**

***Dialogue and surveillance visits***

- 1. The Commission shall ensure a permanent dialogue with the authorities of the Member States in accordance with the objectives of this Regulation. To that end, the Commission shall carry out, in all Member States, visits for the purpose of regular dialogue and, where appropriate, surveillance.***
- 2. When organising dialogue or surveillance visits, the Commission shall, if appropriate, transmit its provisional findings to the Member State concerned for comments.***
- 3. The Commission shall, in the context of dialogue visits, review the actual economic situation in the Member State and identify any risks or difficulties in complying with the objectives of this Regulation.***
- 4. The Commission shall, in the context of surveillance visits, monitor the processes and verify that measures have been taken in accordance with decisions of the Council or the Commission in accordance with the objectives of this Regulation. Surveillance visits shall be undertaken only in exceptional cases and only where there are significant risks or difficulties in achieving those objectives. The Commission should invite representatives of the European Central Bank or, as the case may be, of national central banks, or other relevant institutions to participate in surveillance visits.***
- 5. The Commission shall inform the***

*Economic and Financial Committee of the reasons for the surveillance visits.*

*6. Member States shall take all necessary measures to facilitate the dialogue and surveillance visits. Member States shall provide, at the request of the Commission and on a voluntary basis, the assistance of all the relevant national authorities for the preparation for and conduct of the dialogue and surveillance visits.*

Or. en

**Amendment 305**

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

**Proposal for a regulation  
Article 8 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 8a**

*1. Before the end of 2011 the Commission shall present to the Council and the European Parliament legislative proposals, accompanied with an impact assessment and a feasibility study aiming at putting in place an EMF (article 2a) the issuance of European common securities and the allocation of the resources of the Fund to the Member States which currency is the euro (article 2b) and the creation of project bonds to finance European projects (article 2c).*

*These legislative proposals shall enter into force from 1 January 2013.*

*By ... \* and every three years thereafter the Commission shall publish a report on the application this Regulation. That report shall evaluate, inter alia:*

*(a) whether the incentives ensure compliance with the Stability and Growth Pact;*



*(b) whether the sanctions are effective, appropriate and proportional;*

*(c) whether the system of incentives and sanctions needs to be amended;*

*2. The report and any accompanying proposals shall be forwarded to the European Parliament and the Council.*

*3. If the report by the Commission identifies obstacles to the proper functioning of the provisions in the Treaties governing economic and monetary union, a revision of the Treaties according to Article 48 should be envisaged.*

Or. en

**Amendment 306**  
**Carl Haglund**

**Proposal for a regulation**  
**Article 8 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 8a**

**Review**

*1. By ...\* and every three years thereafter the Commission shall publish a report on the application of this Regulation.*

*2. The report and any accompanying proposals shall be forwarded to the European Parliament and the Council.*

*3. If the report identifies obstacles to the proper functioning of the provisions in the Treaties governing economic and monetary union it shall make the necessary recommendations to the European Council.*

*4. The report shall include a proposal for the extension of reversed qualified majority voting in Council to all steps of the procedure referred to in this*

*regulation.*

Or. en

**Amendment 307**

**Miguel Portas**

**Proposal for a regulation**

**Article 9**

*Text proposed by the Commission*

*Amendment*

**Entry into force**

**deleted**

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

*This Regulation shall be binding in its entirety and directly applicable in the Member States in accordance with the Treaties.*

Or. pt

**Amendment 308**

**Jürgen Klute**

**Proposal for a regulation**

**Article 9 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

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

This Regulation shall enter into force **when** the following **conditions have been 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 reestablished throughout the Union.*

Or. en

**Amendment 309**  
**Philippe Lamberts**

**Proposal for a regulation**  
**Article 9 – paragraph 1**

*Text proposed by the Commission*

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

*Amendment*

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

Or. en