



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Economic and Monetary Affairs

2010/0277(NLE)

16.2.2011

AMENDMENTS

39 - 186

Draft report

Vicky Ford

(PE454.691v01-00)

on the proposal for a Council directive on requirements for
budgetary frameworks of the Member States

Proposal for a directive

(COM(2010)0523 – C7-0397/2010 – 2010/0277(NLE))

AM_Com_LegReport

Amendment 39
Thomas Händel

Draft legislative resolution
Paragraph 3

Draft legislative resolution

Amendment

**3. Calls on the Council to notify
Parliament if it intends to depart from the
text approved by Parliament;**

deleted

Or. en

Amendment 40
Thomas Händel

Proposal for a directive

—

Proposal for rejection

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

Or. en

Amendment 41
Jürgen Klute

Proposal for a directive

—

Proposal for rejection

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

Or. en

Amendment 42

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

Proposal for a directive

Citation 1

Text proposed by the Commission

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

Amendment

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

Or. en

Amendment 43

Antolín Sánchez Presedo

Recital -1 (new)

Text proposed by the Commission

Amendment

-1. 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 44

Nikolaos Chountis

Recital 1

Text proposed by the Commission

Amendment

1. There is a need to build upon the experience gained during the first decade of functioning of economic and monetary union. Recent economic developments have posed new challenges to the conduct of fiscal policy across the Union and have in particular highlighted the need for uniform requirements as regards the rules and procedures forming the budgetary frameworks of the Member States. In particular it is necessary to specify what national authorities must do to comply with the provisions of the Protocol (No 12) on the excessive deficit procedure annexed to the Treaties, and in particular Article 3 thereof.

Deleted

Or. el

Amendment 45 **Jürgen Klute**

Recital 1

Text proposed by the Commission

Amendment

1. There is a need to build upon the experience gained during the first decade of functioning of economic and monetary union. ***Recent economic developments have posed new challenges to the conduct of fiscal policy across the Union and have in particular highlighted the need for uniform requirements as regards the rules and procedures forming the budgetary frameworks of the Member States. In particular it is necessary to specify what national authorities must do to comply with the provisions of the Protocol (No 12) on the excessive deficit procedure annexed to the Treaties, and in particular Article 3 thereof.***

1. There is a need to build upon the experience gained during the first decade of functioning of economic and monetary union. ***The*** rules and procedures forming the budgetary frameworks of the Member States ***should reflect the objectives of sustainable growth and employment, and social and territorial cohesion. Recent economic developments proved that these objectives were not sufficiently considered in the conducting of fiscal policy across the Union.*** In particular it is necessary to specify what national authorities must do to comply with ***these objectives.***

Amendment 46

Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Recital 1 a (new)

Text proposed by the Commission

Amendment

1a. The budgetary frameworks regulation is a part of the economic governance legislation which is aimed at long term economic stability in Europe.

Or. en

Justification

This directive addresses long term stability goals and should not be seen as a short term fix.

Amendment 47

Antolín Sánchez Presedo

Recital 1 a (new)

Text proposed by the Commission

Amendment

1a. The Stability and Growth Pact and the Union's economic governance framework as a whole should complement and be compatible with a Union strategy for jobs and smart, sustainable and inclusive growth which aims at boosting the Union's competitiveness, environmental responsibility and social progress.

Or. en

Amendment 48
Sharon Bowles

Recital 1 a (new)

Text proposed by the Commission

Amendment

1a. The Stability and Growth Pact and the complete economic governance framework should complement and be compatible with a Union strategy for growth and jobs which aims at boosting the Union's competitiveness and social stability and takes into consideration the development and strengthening of the Single Market and fostering international trade links.

Or. en

(This follows the rapporteur's amendment 2 recital 1 a (new) adding the words 'and takes into consideration the development and strengthening of the Single Market and fostering international trade links'.)

Amendment 49
Sharon Bowles

Recital 1 b (new)

Text proposed by the Commission

Amendment

1b. 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 50
Jürgen Klute

Recital 1 a (new)

Text proposed by the Commission

Amendment

1a. Any introduction of policies of economic governance should go in line with an enhanced democratic legitimacy of the Union and should respect and consider each Member State's individual level of development and its relative economic weight inside the Union and the euro area.

Or. en

Amendment 51
Pablo Zalba Bidegain, Íñigo Méndez de Vigo, José Manuel García-Margallo y Marfil

Recital 1 a (new)

Text proposed by the Commission

Amendment

1a. 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 52
Miguel Portas

Recital 1 a (new)

Text proposed by the Commission

Amendment

1a. Experience gained during the first decade of functioning of the economic and monetary union shows a need for an improved economic governance framework in the Union, which should be built on a stronger national ownership of commonly agreed rules and policies and on a more robust governance at the Union level of national economic policies.

Or. en

Amendment 53

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

Recital 1 b (new)

Text proposed by the Commission

Amendment

1b. 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 54

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

Recital 1 c (new)

Text proposed by the Commission

Amendment

1c. 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 55

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

Recital 1 d (new)

Text proposed by the Commission

Amendment

1d. 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 56

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

Recital 1 e (new)

Text proposed by the Commission

Amendment

1e. 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 57

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

Recital 1 f (new)

Text proposed by the Commission

Amendment

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

Or. en

Amendment 58
Antolín Sánchez Presedo

Recital 1 b (new)

Text proposed by the Commission

Amendment

1b. 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 59
Pablo Zalba Bidegain, José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo

Recital 1 g (new)

Text proposed by the Commission

Amendment

1g. 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 60

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

Recital 1 h (new)

Text proposed by the Commission

Amendment

1h. The Commission should have a stronger and more independent role in the enhanced surveillance procedure. This concerns Member-State-specific assessments, monitoring, missions, recommendations and warnings. In addition, the role of the Council needs to be reduced in the steps leading to potential sanctions and the reversed qualified majority voting in the Council needs to be used wherever possible in accordance with the TFEU. The member of the Council representing the Member State concerned and those which are not complying with the Council recommendations to take corrective action under the Stability and Growth Pact or to address excessive macroeconomic imbalances shall not participate in the vote.

Amendment 61
Nikolaos Chountis

Recital 1 a (new)

Text proposed by the Commission

Amendment

1a. The European Parliament rejects this proposal for a directive tabled by the European Commission.

Or. el

Amendment 62
Nikolaos Chountis

Recital 1 b (new)

Text proposed by the Commission

Amendment

1b. 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 63
Nikolaos Chountis

Recital 1 c (new)

Text proposed by the Commission

Amendment

1c. The EU-2020 Strategy, which succeeded the failed, by effect, Lisbon Strategy, is unable to meet the objectives of full employment and prosperity for all European citizens.

Or. el

Amendment 64
Nikolaos Chountis

Recital 1 d (new)

Text proposed by the Commission

Amendment

1d. EMU operating rules and the Stability and Growth Pact are failing to promote economic convergence in the euro area. Hence the imposition of common macro-economic objectives without taking account of the specific economic situation in each of the Member States and their different points of departure will widen the gulf between the developed and less developed countries and, by extension, increase the disparities in European living standards.

Or. el

Amendment 65
Nikolaos Chountis

Recital 1 e (new)

Text proposed by the Commission

Amendment

1e. 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 66
Nikolaos Chountis

Recital 1 f (new)

Text proposed by the Commission

Amendment

If. 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 development and full employment, while avoiding financial, economic and social austerity policies.

Or. el

Amendment 67
Liem Hoang Ngoc

Recital 2

Text proposed by the Commission

Amendment

2. Member State governments and government sub-sectors maintain public accounting systems which include elements such as bookkeeping, internal control, financial reporting, and audit. These should be distinguished from statistical data which relate to the outcomes of government finances based on statistical

2. Member State governments and government sub-sectors maintain public accounting systems which include elements such as bookkeeping, internal control, financial reporting, and audit. These should be distinguished from statistical data which relate to the outcomes of government finances *and the policies*

methodologies, and from forecasts or budgeting actions which relate to future government finances.

funded by them based on statistical methodologies, and from forecasts or budgeting actions which relate to future government finances.

Or. fr

Amendment 68
Jürgen Klute

Recital 2

Text proposed by the Commission

2. Member State governments and government sub-sectors maintain public accounting systems which include elements such as bookkeeping, internal control, financial reporting, and audit. These should be distinguished from statistical data which relate to the outcomes of government finances based on statistical methodologies, and from forecasts or budgeting actions which relate to future government finances.

Amendment

2. Member State governments and government sub-sectors maintain public accounting systems which include elements such as bookkeeping, internal control, financial reporting, and audit. These should be distinguished from statistical data which relate to the outcomes of government finances based on statistical methodologies, and from forecasts or budgeting actions which relate to future government finances. ***Involving independent or private institutions in the public accounting practices on a national or European level does not ensure the quality and reliability of the fiscal data and the transparency in assessing the macro-economic and budgetary forecasts, the Member State government's fiscal policy stance or the achievement of announced fiscal policy objectives.***

Or. en

Amendment 69
Jürgen Klute

Recital 2 a (new)

Text proposed by the Commission

Amendment

2a. The case of independent or private institutions being involved in the production of statistical data, forecasts and numerical fiscal rules should be fully discussed within the Union's institutions, including Parliament.

Or. en

Amendment 70
Liem Hoang Ngoc

Recital 4

Text proposed by the Commission

4. The availability of fiscal data is crucial to the proper functioning of the budgetary surveillance framework of the Union. Regular availability of timely and reliable fiscal data is the key to proper and well-timed monitoring, which in turn allows prompt action in the event of adverse budgetary developments. A crucial element in ensuring the quality of fiscal data is transparency, which must entail regular public availability of such data.

Amendment

4. The availability of fiscal data is crucial to the proper functioning of the budgetary surveillance framework of the Union. Regular availability of timely and reliable fiscal data is the key to proper and well-timed monitoring, which in turn allows prompt action in the event of adverse budgetary developments ***or adverse developments affecting the general economic situation.*** A crucial element in ensuring the quality of fiscal data is transparency, which must entail regular public availability of such data.

Or. fr

Amendment 71
Ramon Tremosa i Balcells

Recital 5 a (new)

Text proposed by the Commission

Amendment

5a. The consolidation of the European Single Market is an essential precondition to ensure the correct functioning and the strengthening of the economic and monetary union. In this sense, it is necessary to eliminate the existing regulatory and physical barriers that make impossible to achieve a single European railway area, specially in the freight transport.

Or. en

Amendment 72
Liem Hoang Ngoc

Recital 7

Text proposed by the Commission

7. Biased and unrealistic macroeconomic and budgetary forecasts may considerably hamper the effectiveness of fiscal planning and consequently impair commitment to budgetary discipline, while transparency and validation of forecasting methodologies may significantly increase the quality of macroeconomic and budgetary forecasts for fiscal planning;

Amendment

7. Excessive pessimistic or optimistic macroeconomic and budgetary forecasts may considerably hamper the effectiveness of fiscal planning and consequently impair commitment to budgetary discipline, while transparency and validation of forecasting methodologies may significantly increase the quality of macroeconomic and budgetary forecasts for fiscal planning;

Or. fr

Amendment 73
Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Recital 7

Text proposed by the Commission

7. Biased and unrealistic macroeconomic and budgetary forecasts may considerably hamper the effectiveness of fiscal planning and consequently impair commitment to budgetary discipline, while transparency and validation of forecasting methodologies **may** significantly increase the quality of macroeconomic and budgetary forecasts for fiscal planning.

Amendment

7. Biased and unrealistic macroeconomic and budgetary forecasts may considerably hamper the effectiveness of fiscal planning and consequently impair commitment to budgetary discipline, while transparency and validation of forecasting methodologies **should** significantly increase the quality of macroeconomic and budgetary forecasts for fiscal planning.

Or. en

Justification

Transparency and validation of forecasting methodologies are key tools for the quality of forecasting.

Amendment 74

Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Recital 8

Text proposed by the Commission

8. A crucial element in ensuring the use of realistic forecasts for the conduct of budgetary policy is transparency, which must entail public availability of the methodologies, assumptions and parameters on which **the official macroeconomic and budgetary** forecasts are based.

Amendment

8. A crucial element in ensuring the use of realistic forecasts for the conduct of budgetary policy is transparency, which must entail **publication and therefore** public availability **not only** of the **official macroeconomic and budgetary forecasts but also of the** methodologies, assumptions and parameters on which **such** forecasts are based.

Or. en

Justification

The proposed amendment reinforces the crucial role and dimension of transparency.

Amendment 75
Philippe Lamberts

Recital 8

Text proposed by the Commission

8. A crucial element in ensuring the use of realistic forecasts for the conduct of budgetary policy is transparency, which must entail public availability of the methodologies, assumptions and parameters on which the official macroeconomic and budgetary forecasts are based.

Amendment

8. A crucial element in ensuring the use of realistic forecasts for the conduct of budgetary policy is transparency, which must entail public availability of the methodologies, assumptions and parameters on which the official macroeconomic and budgetary forecasts are based. ***The Commission itself shall make public the methodologies, assumptions, and parameters that underpin its macroeconomic and budgetary forecasts.***

Or. en

Amendment 76
Antolín Sánchez Presedo

Recital 9

Text proposed by the Commission

9. Alternative ***forecast*** scenarios and corresponding budgetary projections ***supplementing*** the central macroeconomic scenario allow analysis of how fiscal variables would evolve under different economic assumptions and thus greatly reduce the risk of budgetary discipline being jeopardised by forecast errors.

Amendment

9. Alternative scenarios and ***their*** corresponding ***impact on*** budgetary projections ***supplement*** the central macroeconomic scenario ***and*** allow ***for*** analysis of how fiscal variables would evolve under different economic assumptions and thus greatly reduce the risk of budgetary discipline being jeopardised by forecast errors.

Or. en

Amendment 77
Liem Hoang Ngoc

Recital 10

Text proposed by the Commission

10. Commission forecasts provide Member States with a useful benchmark for their central scenario, ***enhancing the validity*** of the forecasts used for budgetary planning, although the extent to which Member States can be expected to take the Commission forecasts into consideration will vary according to the timing of forecast preparation and the comparability of the forecast methodologies and assumptions.

Amendment

10. Commission forecasts ***and information regarding the models on which they are based*** provide Member States with a useful benchmark for their central scenario, ***enabling them to evaluate*** the forecasts used for budgetary planning, although the extent to which Member States can be expected to take the Commission forecasts into consideration will vary according to the timing of forecast preparation and the comparability of the forecast methodologies and assumptions.

Or. fr

Amendment 78
Astrid Lulling

Recital 10

Text proposed by the Commission

10. Commission forecasts provide Member States with a useful benchmark for their central scenario, enhancing the validity of the forecasts used for budgetary planning, although the extent to which Member States can be expected to take the Commission forecasts into consideration will vary according to the timing of forecast preparation and the comparability of the forecast methodologies and assumptions.

Amendment

10. Commission forecasts provide Member States with a useful benchmark for their central scenario, enhancing the validity of the forecasts used for budgetary planning, although the extent to which Member States can be expected to take the Commission forecasts into consideration will vary according to the timing of forecast preparation and the comparability of the forecast methodologies and assumptions.

Forecasts from other independent bodies, at national and/or international level (such as the International Monetary Fund or the Organisation for Economic Co-

operation and Development), can provide useful benchmarks.

Or. en

Amendment 79

Arturs Krišjānis Kariņš, Gunnar Hökmark

Recital 10 a (new)

Text proposed by the Commission

Amendment

10a. Agreement between the Commission and each Member State on forecasting methodology and type and range of assumptions which are used to draft budgetary forecasts could ensure transparency and clarity of forecasts made by the Member State. This should lead to avoidance of conflicting macro-fiscal scenarios and enhance the validity of the forecasts used for budgetary planning.

Or. en

Amendment 80

Nikolaos Chountis

Recital 10 a (new)

Text proposed by the Commission

Amendment

10a. The European Commission bears great responsibility since, for the sake of achieving EU policy objectives in every field (EMU, enlargement), it has, in certain cases, tacitly accepted the dissemination of untruths and/or deliberately manipulated statistical data from certain Member States.

Amendment 81
Nikolaos Chountis

Recital 10 b (new)

Text proposed by the Commission

Amendment

10b. In the light of Article 48(2) of the Treaty on European Union, additional powers cannot be granted to the European Commission.

Amendment 82
Liem Hoang Ngoc

Recital 11

Text proposed by the Commission

Amendment

11. The quality of official macroeconomic and budgetary forecast ***is critically*** enhanced by auditing them at the planning stage. Thorough auditing includes scrutiny of the economic assumptions comparison with forecasts prepared by other institutions and the evaluation of past forecast performance.

11. The quality of official macroeconomic and budgetary forecasts ***would be*** enhanced by auditing them at the planning stage, ***this being done by an independent public*** body. Thorough auditing includes scrutiny of the economic assumptions comparison with forecasts prepared by other institutions and the evaluation of past forecast performance.

Amendment 83
Arturs Krišjānis Kariņš, Gunnar Hökmark

Recital 12

Text proposed by the Commission

12. Considering the documented effectiveness of rules-based budgetary frameworks of the Member States in promoting budgetary discipline, strong national fiscal rules that are consistent with the budgetary objectives at the level of the Union must be a cornerstone of the strengthened budgetary surveillance framework of the Union. Strong fiscal rules should be equipped with well-specified target definitions together with mechanisms for effective and timely monitoring. In addition, policy experience has shown that for numerical rules to work effectively, consequences must be attached to non-compliance, ***where the costs involved may be simply*** reputational.

Amendment

12. Considering the documented effectiveness of rules-based budgetary frameworks of the Member States in promoting budgetary discipline, strong national fiscal rules that are consistent with the budgetary objectives at the level of the Union must be a cornerstone of the strengthened budgetary surveillance framework of the Union. Strong fiscal rules should be equipped with well-specified target definitions together with mechanisms for effective and timely monitoring. In addition, policy experience has shown that for numerical ***fiscal*** rules to work effectively, consequences must be attached to non-compliance, ***which should include*** reputational, ***political as well as financial costs***.

Or. en

Justification

The credibility of the fiscal framework is increased if explicit consequences for non-compliance, including both non-financial and financial costs, are identified in the proposed directive and hence in the national legislation.

Amendment 84
Liem Hoang Ngoc

Recital 12

Text proposed by the Commission

12. Considering the ***documented*** effectiveness of rules based on budgetary frameworks of the Member States in promoting budgetary discipline, strong national fiscal rules that are ***consistent*** with the budgetary objectives at the level of the Union must be the cornerstone of the

Amendment

12. Considering the effectiveness of rules based on budgetary frameworks ***which has been noted in certain*** Member States in promoting budgetary discipline, strong national fiscal rules that are ***compatible*** with the budgetary objectives at the level of the Union must be the cornerstone of the

strengthening budgetary surveillance framework of the Union. Strong fiscal rules should be equipped with *well specified* target definitions together with mechanisms for effective and timely monitoring. In addition policy experience has shown that for numerical rules to work effectively consequences must be attached to non-compliance where the costs involved may be simply reputational.

strengthening budgetary surveillance framework of the Union. Strong fiscal rules should be equipped with target definitions together with mechanisms for effective and timely monitoring. In addition policy experience has shown that for numerical rules to work effectively consequences must be attached to non-compliance where the costs involved may be simply reputational.

Or. fr

Amendment 85

Miguel Portas

Recital 12

Text proposed by the Commission

12. Considering the documented effectiveness of rules-based budgetary frameworks of the Member States in promoting budgetary discipline, strong national fiscal rules that are consistent with the budgetary objectives at the level of the Union must be a cornerstone of the strengthened budgetary surveillance framework of the Union. Strong fiscal rules should be equipped with well-specified target definitions together with mechanisms for effective and timely monitoring. In addition, policy experience has shown that for *numerical* rules to work effectively, consequences must be attached to non-compliance, where the costs involved may be simply reputational.

Amendment

12. Considering the documented effectiveness of rules-based budgetary frameworks of the Member States in promoting budgetary discipline, strong national fiscal rules that are consistent with the budgetary objectives at the level of the Union must be a cornerstone of the strengthened budgetary surveillance framework of the Union. ***Fiscal rules are more likely to be effective if set at a national level, so as to take account of national considerations and ensure ownership. Best practices suggest that fiscal rules should avoid a backwards-looking perspective, which may not properly account for 'one-off' payments, or receipts, and therefore may not necessarily give an accurate indication of future behaviour.*** Strong fiscal rules should be equipped with well-specified target definitions together with mechanisms for effective and timely monitoring. In addition, policy experience has shown that for rules to work effectively, consequences must be attached

to non-compliance, where the costs involved may be simply reputational.

Or. en

Amendment 86

Arturs Krišjānis Kariņš, Gunnar Hökmark

Recital 12 a (new)

Text proposed by the Commission

Amendment

12a. Independent institutions with expertise in fiscal policy can have an important role in securing transparency of budgetary forecasts and credibility. Such independent public bodies can perform the necessary research and audit to assess the performance of national fiscal policy.

Or. en

Amendment 87

Hans-Peter Martin

Recital 12 a (new)

Text proposed by the Commission

Amendment

12a. Member States whose currency is the euro should ensure that they have an independent fiscal institute in place which, inter alia, monitors compliance with their national fiscal rules, including any activation of an escape clause.

Or. de

Amendment 88

Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Recital 12 b (new)

Text proposed by the Commission

Amendment

12b. The number of specific circumstances in which temporary non-compliance with numerical fiscal rules is permitted should be limited.

Or. en

Justification

While explicit consequences for non-compliance are considered necessary to ensure effectiveness, any specific circumstances in which temporary non-compliance with numerical fiscal rules is permitted should be restricted to a limited number, thus reinforcing the general application of the consequences for non-compliance. The proposed new recital reinforces the limited character of such exception provided for in article 6 (d) of the proposed directive.

Amendment 89

Philippe Lamberts

Recital 12 a (new)

Text proposed by the Commission

Amendment

12a. The escape clauses allowing for a temporary deviation from the national fiscal rules refer to serious and exceptional economic circumstances and mitigating factors under Directive 1466/97 as specified in Council Regulation (EU) No .../... amending Regulation (EC) No 1467/97 on speeding up and clarifying the implementation of the excessive deficit procedure.

Or. en

Amendment 90

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

Recital 12 a (new)

Text proposed by the Commission

Amendment

12a. 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 91

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

Recital 12 b (new)

Text proposed by the Commission

Amendment

12b. 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 92

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

Recital 12 c (new)

Text proposed by the Commission

Amendment

12c. 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 mechanisms); and, finally, mobilise resources to finance investments that can promote economic growth (project bonds).

Or. en

Amendment 93

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

Recital 12 d (new)

Text proposed by the Commission

Amendment

12d. 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 94

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

Recital 12 e (new)

Text proposed by the Commission

Amendment

12e. 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 95

Jürgen Klute

Recital 13

Text proposed by the Commission

Amendment

13. Member States should avoid pro-cyclical fiscal policies ***and fiscal consolidation efforts should be greater in good times. Well-specified numerical fiscal rules are conducive to these objectives.***

13. Member States ***and the Union's recommendations and coordination efforts*** should avoid ***and prevent*** pro-cyclical fiscal policies.

Or. en

Amendment 96
Liem Hoang Ngoc

Recital 13

Text proposed by the Commission

13. Member States should avoid pro-cyclical fiscal policies and fiscal consolidation efforts should be greater in good times. Well-specified numerical fiscal rules are conducive to these objectives.

Amendment

13. Member States should avoid pro-cyclical fiscal policies and fiscal consolidation efforts should be greater in good times. Well-specified numerical fiscal rules ***taking account of the stage reached by the economy within the cycle*** are conducive to these objectives.

Or. fr

Amendment 97
Liem Hoang Ngoc

Recital 13

Text proposed by the Commission

13. Member States should ***avoid pro-cyclical*** fiscal policies and fiscal consolidation efforts should be ***greater*** in good times. Well-specified numerical fiscal rules are conducive to these objectives.

Amendment

13. Member States should ***implement counter cyclical*** fiscal policies and fiscal consolidation efforts should be ***concentrated*** in good times. Well-specified numerical fiscal rules are conducive to these objectives.

Or. fr

Amendment 98
Sari Essayah

Recital 13

Text proposed by the Commission

13. Member States should avoid pro-cyclical fiscal policies and fiscal

Amendment

13. Member States should avoid pro-cyclical fiscal policies and fiscal

consolidation efforts should be greater in good times. Well-specified numerical fiscal rules are conducive to these objectives.

consolidation efforts should be greater in good times. ***In view of the ageing of the population, consolidation measures adopted in good times should go substantially beyond what is needed to cover the losses anticipated in bad times.*** Well-specified numerical fiscal rules are conducive to these objectives.

Or. fi

Amendment 99

Arturs Krišjānis Kariņš, Gunnar Hökmark

Recital 13

Text proposed by the Commission

13. Member States should avoid pro-cyclical fiscal policies and fiscal consolidation efforts should be greater in good times. Well-specified numerical fiscal rules are conducive to these objectives.

Amendment

13. Member States should avoid pro-cyclical fiscal policies and fiscal consolidation efforts should be greater in good times. Well-specified numerical fiscal rules are conducive to these objectives. ***These numerical fiscal rules should incorporate the aim of strengthening government expenditure control.***

Or. en

Justification

The purpose of introducing numerical fiscal rules (strengthening government expenditure control) should be made clear in rules themselves.

Amendment 100

Jürgen Klute

Recital 13 a (new)

Text proposed by the Commission

Amendment

13a. For this purpose the European Monetary Fund should issue a European Growth Bond, in order to multiply the liquidity for development purposes. This will help the Member States to face the irrationality of excessively pessimistic financial markets, and this without the brutal economic conditionalities now attached to the joint Commission-IMF loans.

Or. en

Amendment 101
Jürgen Klute

Recital 13 b (new)

Text proposed by the Commission

Amendment

13b. The needs of the Member States, who have already accepted these strict conditionalities, should not be put aside.

Or. en

Amendment 102
Jürgen Klute

Recital 13 c (new)

Text proposed by the Commission

Amendment

13c. The matter of financing the European Growth Bond should be the subject of discussion with all the stakeholders (financial institutions of European Union, Member States, European Parliament). The possibility of

financing the bond through a European financial transaction tax shall also be considered.

Or. en

Amendment 103
Philippe Lamberts

Recital 14 a (new)

Text proposed by the Commission

Amendment

14a. The European Council adopted in March and June 2010 the EU2020 Strategy for a smart, sustainable and inclusive growth and jobs and wanted to base it on an enhanced coordination of economic policies. Therefore, since the economic governance puts the public debt on a equal footing with deficit, the medium-term budgetary frameworks should also contribute to alleviate the burden weighing on the shoulders of future generations.

Or. en

Amendment 104
Liem Hoang Ngoc

Recital 15

Text proposed by the Commission

Amendment

15. Although approval of annual budget legislation is the key step in the budget process in which important budgetary decisions are adopted in the Member States, most fiscal measures have budgetary implications that go well beyond the yearly budgetary cycle. A single year

15. Although approval of annual budget legislation is the key step in the budget process in which important budgetary decisions are adopted in the Member States, most fiscal measures have budgetary implications that go well beyond the yearly budgetary cycle. A single year

perspective therefore provides a **poor** basis for **sound** budgetary policies.

In order to incorporate the multi-annual budgetary perspective of the budgetary surveillance framework of the Union, planning of annual budget legislation should be based on multiannual fiscal planning stemming from the medium-term budgetary framework.

perspective therefore provides **an insufficient** basis for budgetary policies. In order to incorporate the multi-annual budgetary perspective of the budgetary surveillance framework of the Union, planning of annual budget legislation should be based on multiannual fiscal planning stemming from the medium-term budgetary framework, **subject to constraints on the timetable to which our national parliaments are able to commit themselves.**

Or. fr

Amendment 105
Philippe Lamberts

Recital 15 a (new)

Text proposed by the Commission

Amendment

15a. Taking into account the principal of conferral that governs the limits of Union competences under Article 5 of the Treaty on European Union, the establishment of medium-term budgetary framework and the adoption of the multi-annual fiscal planning does not deprive any newly-elected government within the time frame covered by the planning to modify the previous policy options retained in order to reflect its own priorities. However, these priorities will be set under the constraints of article 126 of the Treaty on the Functioning of the EU.

Or. en

Amendment 106
Sharon Bowles

Recital 16

Text proposed by the Commission

16. Provisions of the budgetary surveillance framework established by the Treaty and in particular the Stability and Growth Pact apply to general government as a whole, which comprises the sub-sectors central government, state government, local government, and social security funds, as defined in Regulation (EC) No 2223/96.

Amendment

16. Provisions of the budgetary surveillance framework established by the Treaty and in particular the Stability and Growth Pact apply to general government as a whole, which comprises the sub-sectors central government, state government, local government, and social security funds, as defined in Regulation (EC) No 2223/96; ***the Member States provisions of the budgetary surveillance framework established by the Treaty and in particular the Stability and Growth Pact of shall be updated to International Public Sector Accounting Standards.***

Or. en

Amendment 107
Pablo Zalba Bidegain, José Manuel García-Margallo y Marfil, Íñigo Méndez de Vigo

Recital 16 a (new)

Text proposed by the Commission

Amendment

16a. 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.

Amendment 108

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

Recital 16 b (new)

Text proposed by the Commission

Amendment

16b. 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.

Amendment 109

Liem Hoang Ngoc

Recital 17

Text proposed by the Commission

Amendment

17. A significant number of Member States have experienced a sizeable fiscal decentralisation with a devolution of budgetary powers to sub-national governments. The role of such sub-

deleted

national governments in ensuring that the Stability and Growth Pact is adhered to has thereby increased considerably, and particular attention should be paid to ensuring that all general government sub-sectors are duly covered by the scope of the obligations and procedures laid down in domestic budgetary frameworks, specifically, but not exclusively, in such more decentralised Member States.

Or. fr

Amendment 110

Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Recital 18

Text proposed by the Commission

18. To be effective in promoting budgetary discipline and the sustainability of public finance, budgetary frameworks should comprehensively cover public finances. For this reason, operations of extra-budgetary funds and bodies that have an immediate or medium-term impact on Member States' budgetary positions should be *given particular consideration*.

Amendment

18. To be effective in promoting budgetary discipline and the sustainability of public finance, budgetary frameworks should comprehensively cover public finances. For this reason, operations of extra-budgetary funds and bodies that have an immediate or medium-term impact on Member States' budgetary positions should be *reported in a transparent manner. Their expected or potential impact on general government budget balances and debt should be explicitly addressed in the medium-term budgetary frameworks.*

Or. en

Justification

The proposed amendment reinforces effectiveness through the link to the medium-term budgetary frameworks.

Amendment 111
Liem Hoang Ngoc

Recital 18

Text proposed by the Commission

18. To be effective in promoting budgetary discipline and the sustainability of public finance, budgetary frameworks should comprehensively cover **public finances**. For this reason operations of extra budgetary funds and bodies that have an immediate or medium term impact on member States budgetary positions should be given particular consideration.

Amendment

18. To be effective in promoting budgetary discipline and the sustainability of public finance, budgetary frameworks should comprehensively cover **sub-national governments**. For this reason operations of extra budgetary funds and bodies that have an immediate or medium term impact on member States budgetary positions should be given particular consideration.

Or. fr

Amendment 112
Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Recital 18 a (new)

Text proposed by the Commission

Amendment

18a. The purpose and the features of the Directive call for a national transposition which is as close as possible to the text of the Directive. While this is true for all Member States, it is particularly true for the participating Member States.

Or. en

Justification

A commitment to a transposition closely following the directive, particular in the participating Member States, will make the Directive more effective.

Amendment 113

Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Recital 18 b (new)

Text proposed by the Commission

Amendment

18b. There is a need for euro area Member States to implement into their national budgetary frameworks several features in addition to the features contained in this Directive for all the Member states. A chapter with specific provisions for the euro area Member States establishes these two features: top-down budgetary processes and independent institutions with expertise in fiscal policy tasked with providing independent monitoring, analysis, assessments and forecasts. Non euro area Member States can voluntary incorporate several or all of these additional features into their national budgetary frameworks.

Or. en

Amendment 114

Sylvie Goulard

Recital 18 a (new)

Text proposed by the Commission

Amendment

18a. There is a need for euro area Member States to implement into their national budgetary frameworks several features in addition to the features contained in this Directive for all the Member States. A chapter with specific provisions for the euro area Member States establishes these two features: top-down budgetary processes and independent fiscal councils tasked with providing independent monitoring,

analysis, assessments and forecasts. Non euro area Member States can voluntarily incorporate several or all of these additional features into their national budgetary frameworks.'

Or. en

Amendment 115
Philippe Lamberts

Recital 18 a (new)

Text proposed by the Commission

Amendment

18a. Participating Member States that do not comply with the provisions of this Directive will incur sanctions in the form of the lodging of a non-bearing interest deposit. In the event of a persistent non-compliance, this amount will be allocated as guarantees for EU relevant projects financed by the European Investment Bank. On the other hand, the Commission will take the non-compliance of Member States in ERMII as an aggravating factor to be reported in the convergence report set in accordance with Article 140 of the TFEU.

Or. en

Amendment 116
Vicky Ford

Article 1 – paragraph 1

Text proposed by the Commission

Amendment

This Directive sets out detailed rules concerning the characteristics of the budgetary frameworks of the Member

This Directive sets out detailed rules concerning the characteristics of the budgetary frameworks of the Member

States that are necessary to ensure the *effectiveness* of the excessive *deficit procedure*.

States that are necessary to ensure *compliance with* the *obligation* of the *Member States with regard to* excessive *government deficits as referred to in Article 126 (1) of the Treaty with due regard to related Protocols, including Protocol 15*.

Or. en

Amendment 117

Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 1 – paragraph 1

Text proposed by the Commission

This Directive sets out detailed rules concerning the characteristics of the budgetary frameworks of the Member States that are necessary to ensure the *effectiveness* of the excessive *deficit procedure*.

Amendment

This Directive sets out detailed rules concerning the characteristics of the budgetary frameworks of the Member States that are necessary to ensure *compliance with* the *obligation* of the *Member States to avoid* excessive *government deficits as referred to in Article 126(1) of the Treaty*.

Or. en

Justification

The proposed Directive should not refer explicitly to the excessive deficit procedure but rather to the need to avoid excessive deficits since the Directive, once implemented in the Member States, will become an instrument for strengthening Member States' compliance with their obligations under Articles 121 and 126 under Treaty.

Amendment 118

Liem Hoang Ngoc

Article 2 – paragraph 2 – point c

Text proposed by the Commission

(c) numerical fiscal rules, which establish a permanent constraint on the conduct of fiscal policy expressed in terms of a summary indicator of budgetary performance, such as the government budget deficit, borrowing, debt, or a major component thereof;

Amendment

(c) numerical fiscal rules, which establish a permanent constraint on the conduct of fiscal policy expressed in terms of a summary indicator of budgetary performance ***and the anticyclical effectiveness of budget-related policies,*** such as the government budget deficit, borrowing, debt, or a major component thereof, ***as well as their impact on investment levels or unemployment rates;***

Or. fr

Amendment 119

Miguel Portas

Article 2 – paragraph 2 – point c

Text proposed by the Commission

(c) ***numerical*** fiscal rules, which establish a permanent constraint on the conduct of fiscal policy expressed in terms of a summary indicator of budgetary performance, such as the government budget deficit, borrowing, debt, or a major component thereof;

Amendment

(c) ***national*** fiscal rules, which establish a permanent constraint on the conduct of fiscal policy expressed in terms of a summary indicator of budgetary performance, such as the government budget deficit, borrowing, debt, or a major component thereof;

Or. en

Amendment 120

Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Article 2 – paragraph 2 – point f

Text proposed by the Commission

(f) arrangements for analysis to enhance the transparency of elements of the budget

Amendment

(f) arrangements for ***independent monitoring, analysis, assessments and***

process, including inter alia the mandate of independent ***national budget offices*** or institutions acting in the field of budgetary policy;

validation to enhance the transparency of elements of the budget process, including inter alia the mandate of independent ***institutions with expertise in fiscal policy*** or institutions acting in the field of budgetary policy;

Or. en

Justification

The arrangements should not just concern the analysis, but also monitoring, assessment and validation of the budget processes and ensure that these are undertaken in an independent manner.

Amendment 121

Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Article 3 – paragraph 1

Text proposed by the Commission

1. ***As concerns national systems of public accounting***, Member States shall have in place public accounting systems comprehensively and consistently covering all sub-sectors of general government as defined by Regulation (EC) No 2223/96 (ESA 95), ***and containing the information needed to compile ESA 95-based data***. Those ***public accounting*** systems shall be subject to ***internal*** control and audit.

Amendment

1. ***To ensure the timely and accurate reporting of annual and quarterly ESA-based government data as required by the ESA transmission programme***, Member States shall have in place public accounting systems, ***applying the accrual basis of accounting and*** comprehensively and consistently covering all sub-sectors of general government as defined by Regulation (EC) No 2223/96 (ESA 95). Those systems shall be subject to ***independent*** control and audit.

Or. en

Justification

To increase the timeliness and accuracy of the government data reported to the Commission, it is necessary that Member States implement public accounting systems for the government sector entities, which report data on an accrual basis that would allow an easy translation of these data into the ESA-95 based national accounts. The public accounting systems should be subject to independent control and audit.

Amendment 122
Vicky Ford

Article 3 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. In addition to the requirements in Article 3 (1) Participating Member States shall ensure that their public accounting systems are subject to independent control and audit.

Or. en

Amendment 123
Sharon Bowles

Article 3 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Member States shall move to adopt International Public Sector Accounting Standards within three years of this Regulation coming into force.

Or. en

Amendment 124
Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Article 3 – paragraph 2

Text proposed by the Commission

Amendment

2. Member States shall ensure timely and regular public availability of fiscal data

deleted

*for all sub-sectors of general government.
In particular Member States shall publish*

(a) cash-based fiscal data at a monthly frequency, covering government with each sub-sector thereof separately identified, before the end of the following month,

(b) a detailed reconciliation table showing the elements of transition between cash based and ESA 95-based data.

Or. en

Justification

The need for timely fiscal data calls for advancing the reporting deadlines of the quarterly ESA-based government accounts under the new ESA transmission programme. To oblige all Member States to report additional monthly cash data could unduly increase their reporting burden, especially because the reconciliation between cash data and ESA-95 based data is not straightforward.

Amendment 125 **Astrid Lulling**

Article 3 – paragraph 2 – point a

Text proposed by the Commission

(a) cash-based fiscal data at **a** monthly frequency, covering government with each sub-sector thereof separately identified, before the end of the following month,

Amendment

(a) cash-based fiscal data **(or an equivalent figure from public accounting if cash-based data is not available)** at the following frequencies:

- monthly, **for central** government, **extra-budgetary funds, state government and social security funds**, with each sub-sector thereof separately identified, before the end of the following **relevant** month, **and**
- **quarterly, for local government, within one month of the end of the relevant quarter;**

Or. en

Justification

Cash data confined to the central government sticto senso would provide a (very) biased overview of the underlying fiscal situation

Amendment 126
Liem Hoang Ngoc

Article 3 – paragraph 2 – point a

Text proposed by the Commission

(a) cash based fiscal data at a **monthly** frequency covering government with each sub-sector thereof separately identified before the end of the following **month**,

Amendment

(a) cash based fiscal data at a **quarterly** frequency covering government with each sub-sector thereof separately identified before the end of the following **quarter**,

Or. fr

Amendment 127
Antolín Sánchez Presedo

Article 3 – paragraph 2 – point a

Text proposed by the Commission

(a) cash-based fiscal data at a monthly frequency, covering government with each sub-sector thereof separately identified, before the end of the following month,

Amendment

(a) cash-based fiscal data at a monthly frequency, covering government with each sub-sector thereof separately identified, before the end of the following month.
Information from state and local government subsectors shall be updated at least on a quarterly basis,

Or. en

Amendment 128
Ramon Tremosa i Balcells

Article 3 – paragraph 2 – point a

Text proposed by the Commission

(a) cash-based fiscal data at a monthly frequency, covering government with each sub-sector thereof separately identified, before the end of the following month,

Amendment

(a) cash-based fiscal data at a monthly frequency, covering government with each sub-sector thereof separately identified, before the end of the following month.
Municipalities and local authorities will work on a trimestral basis.

Or. en

Amendment 129
Liem Hoang Ngoc

Article 4 – paragraph 1

Text proposed by the Commission

1. Member States shall ensure that fiscal planning is based on realistic macroeconomic and budgetary forecasts using the most up-to-date information. Budgetary planning shall be based on the most likely macro-fiscal scenario or on a more prudent scenario that highlights in detail deviations from the most likely macro-fiscal scenario. The macroeconomic and budgetary forecasts shall be prepared taking into account the Commission forecasts as appropriate. Differences between the chosen macro-fiscal scenario and the Commission forecast shall be explained.

Amendment

1. Member States shall ensure that fiscal planning is based on realistic macroeconomic and budgetary forecasts using the most up-to-date information, ***includign natioanl forecasts where they are more up to date than Commission forecasts.*** Budgetary planning shall be based on the most likely macro-fiscal scenario or on a more prudent scenario that highlights in detail deviations from the most likely macro-fiscal scenario. The macroeconomic and budgetary forecasts shall be prepared taking into account the Commission forecasts as appropriate. Differences between the chosen macro-fiscal scenario and the Commission forecast shall be explained.

Or. fr

Amendment 130

Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 4 – paragraph 1

Text proposed by the Commission

1. Member States shall ensure that fiscal planning is based on realistic macroeconomic and budgetary forecasts using the most up-to-date information. Budgetary planning shall be based on the most likely macro-fiscal scenario or on a more prudent scenario that highlights in detail deviations from the most likely macro-fiscal scenario. The macroeconomic and budgetary forecasts shall be ***prepared taking into account*** the Commission forecasts ***as appropriate***. Differences between the chosen macro-fiscal scenario and the Commission forecast shall be explained.

Amendment

1. Member States shall ensure that fiscal planning is based on realistic macroeconomic and budgetary forecasts using the most up-to-date information. Budgetary planning shall be based on the most likely macro-fiscal scenario or on a more prudent scenario that highlights in detail deviations from the most likely macro-fiscal scenario. The macroeconomic and budgetary forecasts shall be ***compared with*** the Commission forecasts. Differences between the chosen macro-fiscal scenario and the Commission forecast shall be explained.

Or. en

Justification

The replacement of "taking into account... as appropriate" by a comparison, reduces the elements of uncertainty in the obligation to take into account the Commission forecasts.

Amendment 131

Astrid Lulling

Article 4 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Member States shall ensure that fiscal planning is based on realistic macroeconomic and budgetary forecasts using the most up-to-date information. Budgetary planning shall be based on the most likely macro-fiscal scenario or on a more prudent scenario that highlights in

detail deviations from the most likely macro-fiscal scenario. The macroeconomic and budgetary forecasts shall be prepared taking into account the Commission forecasts and those of other independent bodies as appropriate. Significant divergences between the chosen macro-fiscal scenario and these forecasts shall be explained.

Or. en

Amendment 132
Philippe Lamberts

Article 4 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall make public the methodologies, assumptions, and parameters that underpin its macroeconomic and budgetary forecasts.

Or. en

Amendment 133
Antolín Sánchez Presedo

Article 4 – paragraph 2

Text proposed by the Commission

Amendment

2. Macroeconomic and budgetary forecasts for fiscal planning shall comprise alternative macroeconomic scenarios to examine the path of fiscal variables under different economic conditions. The range of alternative scenarios used ***in macroeconomic and budgetary forecasts*** shall be guided by past forecast performance.

2. Fiscal planning shall comprise alternative macroeconomic scenarios to examine the path of fiscal variables under different economic conditions. The range of alternative scenarios used and ***their corresponding impact*** shall be guided by past forecast performance ***and shall endeavour to take into account the impacts of macroeconomic imbalances,***

where those have been highlighted.

Or. en

Amendment 134
Philippe Lamberts

Article 4 – paragraph 2

Text proposed by the Commission

2. Macroeconomic and budgetary forecasts for fiscal planning shall comprise alternative macroeconomic scenarios to examine the path of fiscal variables under different economic conditions. The range of alternative scenarios used in macroeconomic and budgetary forecasts shall be guided by past forecast performance.

Amendment

2. Macroeconomic and budgetary forecasts for fiscal planning shall comprise alternative macroeconomic scenarios to examine the path of fiscal variables under different economic conditions. The range of alternative scenarios used in macroeconomic and budgetary forecasts shall be guided by past forecast performance ***and shall endeavour to take into account the impacts of macroeconomic imbalances, where those have been highlighted in accordance with Regulation of the European Parliament and of the Council on the prevention and correction of macroeconomic imbalances.***

Or. en

Amendment 135
Ildikó Gáll-Pelcz

Article 4 – paragraph 3

Text proposed by the Commission

3. Member States shall ***make public*** the ***official*** macroeconomic and budgetary forecasts prepared for fiscal planning, ***including the methodologies, assumptions, and parameters used.***

Amendment

3. ***The competent authorities of the*** Member States shall ***annually, at the time of their publication and by means of a predetermined procedure,*** audit the macroeconomic and budgetary forecasts prepared for fiscal planning ***and publish***

the result of the audit within 1 month.

Or. hu

Amendment 136

Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 4 – paragraph 3

Text proposed by the Commission

3. Member States shall make public the official macroeconomic and budgetary forecasts prepared for fiscal planning, including the methodologies, assumptions, and parameters used.

Amendment

3. *Before the making of macroeconomic and budgetary forecasts each Member State and the Commission shall reach agreement on the forecasting methodology and type and range of assumptions taken into account when macroeconomic and budgetary forecasts are drafted.* Member States shall make public the official macroeconomic and budgetary forecasts prepared for fiscal planning, including the methodologies, assumptions, and parameters used.

Or. en

Amendment 137

Edit Herczog

Article 4 – paragraph 3

Text proposed by the Commission

3. Member States shall make public the official macroeconomic and budgetary forecasts prepared for fiscal planning, including the methodologies, assumptions, and parameters used.

Amendment

3. Member States shall make public the official macroeconomic and budgetary forecasts prepared for fiscal planning, including the methodologies, assumptions, and parameters used. ***It has to be specified which institutions of the Member States should prepare the budgetary forecast: Ministry of Finance, Central Bank, Court of Audit, etc.***

Amendment 138
Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 4 – paragraph 4

Text proposed by the Commission

4. Member States shall have the macroeconomic and budgetary forecasts for fiscal planning regularly audited, including ex post evaluation. The result of this auditing shall be made public.

Amendment

4. Member States shall have the macroeconomic and budgetary forecasts for fiscal planning regularly audited **by independent bodies**, including ex post evaluation. The **auditing shall be conducted once a year. The** result of this **independent** auditing shall be made public.

Amendment 139
Liem Hoang Ngoc

Article 4 – paragraph 4

Text proposed by the Commission

4. Member States shall have the macroeconomic and budgetary forecasts for fiscal planning regularly audited, including ex post evaluation. The result of this auditing shall be made public.

Amendment

4. Member States shall have the macroeconomic and budgetary forecasts for fiscal planning regularly audited **by an independent public body**, including ex post evaluation. The result of this auditing shall be made public.

Amendment 140
Peter Simon

Article 4 – paragraph 4

Text proposed by the Commission

4. Member States shall have the macroeconomic and budgetary forecasts for fiscal planning regularly audited, including ex post evaluation. The result of this auditing shall be made public.

Amendment

4. Member States shall have the macroeconomic and budgetary forecasts for fiscal planning regularly audited, including ex post evaluation. The result of this auditing shall be made public ***and taken into account appropriately in future macroeconomic and budgetary forecasts.***

Or. de

Amendment 141
Edit Herczog

Article 4 – paragraph 4

Text proposed by the Commission

4. Member States shall have the macroeconomic and budgetary forecasts for fiscal planning regularly audited, including ex post evaluation. The result of this auditing shall be made public.

Amendment

4. Member States shall have the macroeconomic and budgetary forecasts for fiscal planning regularly audited, including ex post evaluation. The result of this auditing shall be made public. ***It has to be specified which institutions of the Member States should prepare the budgetary forecast: Ministry of Finance, Central Bank, Court of Audit, etc.***

Or. en

Amendment 142
Carl Haglund

Article 4 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. Member States' debt and deficit levels and their evolution shall be published by Eurostat at least every three months.

Amendment 143
Vicky Ford

Article 4 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. In addition to their obligations under Article 4 (4) Participating Member States shall ensure auditing of their own past forecast record is done on an independent basis, such as by a fiscal institute.

Or. en

Amendment 144
Astrid Lulling

Article 4 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. If, over the course of three consecutive years, the Commission's forecasts provide a significantly more accurate reflection of actual economic activity than those of participating Member States, then those Member States shall be required, subject to a Council decision to that effect, to base their budgetary planning on the Commission's forecasts or to use the forecasts of independent national bodies.

The Council shall monitor the situation and shall repeal any decision adopted under the first subparagraph where it deems that the Member State is producing forecasts adequate to meeting the requirements of this Article.

Or. en

Amendment 145
Miguel Portas

Chapter 4 – title

Text proposed by the Commission

Amendment

Numerical fiscal rules

National fiscal rules

Or. en

Amendment 146
Miguel Portas

Article 5 – paragraph 1

Text proposed by the Commission

Amendment

Member States shall have in place numerical fiscal rules that effectively promote compliance with their respective obligations deriving from the Treaty in the area of budgetary policy. Such rules shall include in particular:

deleted

(a) compliance with the reference values on deficit and debt set in accordance with the Treaty;

(b) the adoption of a multi-annual fiscal planning horizon, including respect of the medium-term budgetary objectives.

Or. en

Amendment 147
Astrid Lulling

Article 5 – paragraph 1 – introductory part

Text proposed by the Commission

Member States shall have in place numerical fiscal rules that effectively promote compliance with their respective obligations deriving from the Treaty in the area of budgetary policy. Such rules shall include in particular:

Amendment

Member States shall have in place ***national binding*** numerical fiscal rules that effectively promote compliance with their respective obligations deriving from the Treaty in the area of budgetary policy. Such rules shall include in particular:

Or. en

Amendment 148
Liem Hoang Ngoc

Article 5 – paragraph 1 – introductory part

Text proposed by the Commission

Member States shall have in place numerical fiscal rules that effectively promote compliance with their respective obligations deriving from the Treaty in the area of budgetary policy. Such rules shall include in particular:

Amendment

Member States shall have in place numerical fiscal rules that effectively promote compliance with their respective obligations deriving from the Treaty in the area of budgetary policy, ***in accordance with its countercyclical role***. Such rules shall include in particular:

Or. fr

Amendment 149
Vicky Ford

Article 5 – paragraph 1 – introductory part

Text proposed by the Commission

Member States shall have in place numerical fiscal rules that effectively promote compliance with their respective obligations deriving from the Treaty in the area of budgetary policy. Such rules shall include in particular:

Amendment

Member States shall have in place numerical fiscal rules that effectively promote compliance with their respective obligations deriving from the Treaty in the area of budgetary policy, ***including Protocols attached thereto***. Such rules

shall include in particular:

Or. en

Amendment 150
Iliana Ivanova

Article 6 – paragraph 1 – introductory part

Text proposed by the Commission

Without prejudice to the Treaty provisions of the budgetary surveillance framework of the Union, numerical fiscal rules shall contain specifications on the following elements:

Amendment

Without prejudice to the Treaty provisions of the budgetary surveillance framework of the Union, ***national*** numerical fiscal rules ***of Member States*** shall contain specifications on the following elements:

Or. en

Justification

This requirement shall be valid for all Member States

Amendment 151
Miguel Portas

Article 6 – paragraph 1 – introductory part

Text proposed by the Commission

Without prejudice to the Treaty provisions of the budgetary surveillance framework of the Union, ***numerical*** fiscal rules shall contain specifications on the following elements:

Amendment

Without prejudice to the Treaty provisions of the budgetary surveillance framework of the Union, ***national*** fiscal rules shall contain specifications on the following elements:

Or. en

Amendment 152

Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 6 – paragraph 1 – point b

Text proposed by the Commission

(b) effective and timely monitoring of compliance with the rules, such as by independent ***national budget offices*** or institutions acting in the field of budgetary policy;

Amendment

(b) effective and timely monitoring of compliance with the rules, such as by independent ***bodies*** or institutions acting in the field of budgetary policy;

Or. en

Amendment 153

Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 6 – paragraph 1 – point c

Text proposed by the Commission

(c) consequences in the event of non-compliance;

Amendment

(c) consequences in the event of non-compliance ***that involve a clear political and financial cost for the authorities responsible for non-compliance;***

Or. en

Justification

The credibility of the fiscal framework is increased if explicit consequences for non-compliance, including both non-financial and financial costs, are identified in the Directive and hence in the national legislation. Escape clauses should not be a requirement; in case they are specified, they should be limited in scope and duration.

Amendment 154

Wolf Klinz, Burkhard Balz, Gunnar Hökmark, Olle Schmidt

Article 6 – paragraph 1 – point c

Text proposed by the Commission

Amendment

(c) consequences in the event of non-compliance;

(c) consequences in the event of non-compliance, ***such as fines for the authorities carrying out the tasks***;

Or. en

Amendment 155

Wolf Klinz, Burkhard Balz, Gunnar Hökmark, Olle Schmidt

Article 6 – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) escape clauses, setting out a limited number of specific circumstances in which temporary non-compliance with the rule is permitted.

deleted

Or. en

Amendment 156

Liem Hoang Ngoc

Article 6 – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) Escape clauses setting out ***a limited number of*** specific circumstances in which temporary non-compliance with the rule is permitted.

(d) escape clauses setting out ***the*** specific circumstances, ***particularly those reflected by macroeconomic and social indicators***, in which temporary non-compliance with the rule is permitted.

Or. fr

Amendment 157

Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 6 – paragraph 1 – point d

Text proposed by the Commission

(d) escape clauses, setting out a limited number of specific circumstances in which temporary non-compliance with the rule is permitted.

Amendment

(d) escape clauses, ***if any***, setting out a limited number of specific circumstances in which temporary non-compliance with the rule is permitted.

Or. en

Amendment 158

Philippe Lamberts

Article 6 – paragraph 1 – point d

Text proposed by the Commission

(d) escape clauses, setting out a limited number of specific circumstances in which temporary non-compliance with the rule is permitted.

Amendment

(d) escape clauses, setting out a limited number of specific circumstances in which temporary non-compliance with the rule is permitted. ***The Commission shall, after consultation with Member States and the European Parliament, define these circumstances.***

Or. en

Amendment 159

Miguel Portas

Article 6 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

Without prejudice to the provisions of the TFEU on the budgetary surveillance framework of the Union, national fiscal rules for participating Member States

shall contain specifications that address the following elements:

(a) the target definition and scope of the rules;

(b) effective and timely monitoring of compliance with the rules, by independent national budget offices or institutions acting in the field of budgetary policy;

(c) consequences in the event of non-compliance, including stricter public disclosure and public justifications;

(d) escape clauses, setting out a limited number of specific and exceptional circumstances in which temporary non-compliance with the rule is permitted.

The activation of escape clauses referred to in point (d) is to be disclosed and justified in a transparent and timely manner.

Or. en

Amendment 160
Vicky Ford

Article 6 a (new)

Text proposed by the Commission

Amendment

Article 6 a

Without prejudice to the provisions of the TFEU on the budgetary surveillance framework of the Union, national numerical fiscal rules for participating Member States shall contain specifications that address the following elements:

(a) the target definition and scope of the rules;

(b) effective and timely monitoring of compliance with the rules, by independent national budget offices or institutions

acting in the field of budgetary policy;

(c) consequences in the event of non-compliance that involve a clear political and financial cost for the authorities responsible for non-compliance;

(d) escape clauses, setting out a limited number of specific and exceptional circumstances in which temporary non-compliance with the rule is permitted.

The activation of escape clauses referred to in point (d) is to be disclosed and justified in a transparent and timely manner.

Or. en

Amendment 161
Miguel Portas

Article 7 – paragraph 1

Text proposed by the Commission

The annual budget legislation of the Member States shall reflect the constraints imposed by their **numerical** fiscal rules in force.

Amendment

The annual budget legislation of the Member States shall reflect the constraints imposed by their **national** fiscal rules in force.

Or. en

Amendment 162
Ildikó Gáll-Pelcz

Article 8 – paragraph 1

Text proposed by the Commission

1. Member States shall establish an effective medium-term budgetary framework providing for the adoption of a fiscal planning horizon of at least three

Amendment

1. Member States shall establish an **authoritatively scrutinised**, effective medium-term budgetary framework providing for the adoption of a fiscal

years to ensure that national fiscal planning follows a multiannual fiscal planning perspective.

planning horizon of at least three years to ensure that national fiscal planning follows a multiannual fiscal planning perspective.

Or. hu

Amendment 163
Philippe Lamberts

Article 8 – paragraph 1

Text proposed by the Commission

1. Member States shall establish an effective medium-term budgetary framework providing for the adoption of a fiscal planning horizon of at least **three** years to ensure that national fiscal planning follows a multiannual fiscal planning perspective.

Amendment

1. Member States shall establish an effective medium-term budgetary framework providing for the adoption of a fiscal planning horizon of at least **four** years to ensure that national fiscal planning follows a multiannual fiscal planning perspective.

Or. en

Amendment 164
Liem Hoang Ngoc

Article 8 – paragraph 2 – point a

Text proposed by the Commission

(a) comprehensive and transparent multi-annual budgetary objectives in terms of the general government deficit, debt, and any other summary fiscal indicator, ensuring that these are consistent with any fiscal rules as provided for in Chapter IV in force,

Amendment

(a) comprehensive and transparent multi-annual budgetary objectives in terms of the general government deficit, debt, and any other summary fiscal indicator **and objectives envisaged in respect of the policies being funded** ensuring that these are consistent with any fiscal rules as provided for in Chapter IV in force;

Or. fr

Amendment 165

Arturs Krišjānis Kariņš, Vicky Ford, Gunnar Hökmark

Article 8 – paragraph 2 – point a

Text proposed by the Commission

(a) comprehensive and transparent multi-annual budgetary objectives in terms of the general government deficit, debt, and any other summary fiscal indicator, ensuring that these are consistent with any fiscal rules as provided for in Chapter IV in force,

Amendment

(a) comprehensive and transparent multi-annual budgetary objectives in terms of the general government deficit, debt, **expenditure** and any other summary fiscal indicator, ensuring that these are consistent with any fiscal rules as provided for in Chapter IV in force,

Or. en

Justification

Since expenditure developments will be assessed under the amended Regulation 1466/197 (EPD), it should be mentioned explicitly as a budgetary objective at the national level.

Amendment 166

Philippe Lamberts

Article 8 – paragraph 2 – point a

Text proposed by the Commission

(a) comprehensive and transparent multi-annual budgetary objectives in terms of the general government deficit, debt, and any other summary fiscal indicator, ensuring that these are consistent with any fiscal rules as provided for in Chapter IV in force,

Amendment

(a) comprehensive and transparent multi-annual budgetary objectives in terms of the general government deficit, debt, **primary balance**, and any other summary fiscal indicator, ensuring that these are consistent with any fiscal rules as provided for in Chapter IV in force,

Or. en

Amendment 167
Liem Hoang Ngoc

Article 8 – paragraph 2 – point b

Text proposed by the Commission

(b) detailed projections of each major expenditure and revenue item, by general government sub-sector, for the budget year and beyond, based on unchanged policies,

Amendment

(b) detailed projections of each major expenditure and revenue item, by general government sub-sector, for the budget year and beyond, based on unchanged policies, ***and the anticipated effects of the policies being funded;***

Or. fr

Amendment 168
Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 8 – paragraph 2 – point b

Text proposed by the Commission

(b) detailed projections of each major expenditure and revenue item, by general government sub-sector, for the budget year and beyond, based on unchanged policies,

Amendment

(b) detailed projections of each major expenditure and revenue item, by general government sub-sector, for the budget year and beyond, based on unchanged ***and changed*** policies,

Or. en

Amendment 169
Philippe Lamberts

Article 8 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) indicators reflecting the contribution of fiscal policy to a sustainable economy: an estimation of fiscal fraud in percent of total revenue, the progressivity of income

tax system, environmental taxes in percent of total revenue, and the general government net financial liabilities,

Or. en

Amendment 170
Liem Hoang Ngoc

Article 8 – paragraph 2 – point c

Text proposed by the Commission

(c) a statement of the government's medium-term priorities broken down by major revenue and expenditure item and by general government sub-sector, showing how the adjustment towards the medium-term budgetary objective is achieved compared to projections under unchanged policies.

Amendment

(c) a statement of the government's medium-term priorities broken down by major revenue and expenditure item and by general government sub-sector, showing how the adjustment towards the medium-term budgetary objective is achieved compared to projections under unchanged policies *or in view of the failure of policies being funded.*

Or. fr

Amendment 171
Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 8 – paragraph 2 – point c

Text proposed by the Commission

(c) a statement of the government's medium-term priorities broken down by major revenue and expenditure item and by general government sub-sector, showing how the adjustment towards the medium-term budgetary objective is achieved compared to projections under unchanged policies.

Amendment

(c) a statement of the government's medium-term priorities broken down by major revenue and expenditure item and by general government sub-sector, showing how the adjustment towards the medium-term budgetary objective is achieved compared to projections under unchanged *and changed* policies.

Or. en

Amendment 172
Sari Essayah

Article 8 – paragraph 2 – point c a (new)

Text proposed by the Commission

Amendment

(ca) an opinion as to how the proposed measures will affect the long-term sustainability of the public finances.

Or. fi

Amendment 173
Sylvie Goulard

Article 9 – paragraph 1

Text proposed by the Commission

Amendment

Annual budget legislation shall be consistent with the provisions stemming from the medium-term budgetary framework. Specifically, revenue and expenditure projections and priorities resulting from the medium-term budgetary framework as specified in Article 8(2) shall constitute the basis for the preparation of the annual budget. ***Any departure from these provisions shall be duly justified.***

Annual budget legislation shall be consistent with the provisions stemming from the medium-term budgetary framework. Specifically, revenue and expenditure projections and priorities resulting from the medium-term budgetary framework as specified in Article 8(2) shall constitute the basis for the preparation of the annual budget.

Or. en

Amendment 174
Philippe Lamberts

Article 9 a (new)

Article 9 a

This Directive shall not prohibit any newly-elected government to update the medium-term budgetary framework to reflect its new policy priorities provided:

- its debt-to-GDP ratio is sufficiently diminishing and approaching the reference value at a satisfactory pace;***
- its budgetary position remains on the path to reach the medium-term budgetary objectives set in accordance with Regulation of the European Parliament and of the Council amending Regulation (EC) No 1466/97 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies.***

The Member State shall highlight the differences with the previous medium-term budgetary framework.

Or. en

Amendment 175

Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 12 – paragraph 1

Text proposed by the Commission

1. All sub-sectors of general government shall be covered by numerical fiscal rules.

Amendment

1. Numerical fiscal rules shall be designed in order to ensure that fiscal targets cover all sub-sectors of general government and are in line with Member States' obligations under the Stability and Growth Pact.

Or. en

Justification

The wording clarifies that the numerical fiscal rules should cover all sub-sectors of general government and should be in line with the SGP.

Amendment 176

Miguel Portas

Article 12 – paragraph 1

Text proposed by the Commission

1. All sub-sectors of general government shall be covered by **numerical** fiscal rules.

Amendment

1. All sub-sectors of general government shall be covered by **national** fiscal rules.

Or. en

Amendment 177

Liem Hoang Ngoc

Article 13 – paragraph 3

Text proposed by the Commission

3. For all sub-sectors of general government, Member States shall publish information on contingent liabilities with potentially large impacts on public budgets, including government guarantees, non-performing loans, and liabilities stemming from the operation of public corporations, including their extent and likelihood and potential due date of expenditure.

Amendment

deleted

Or. fr

Amendment 178

Arturs Krišjānis Kariņš, Gunnar Hökmark

Article 13 – paragraph 3

Text proposed by the Commission

3. For all sub-sectors of general government, Member States shall publish information on contingent liabilities with potentially large impacts on public budgets, including government guarantees, non-performing loans, and liabilities stemming from the operation of public corporations, including their extent ***and likelihood and potential due date of expenditure.***

Amendment

3. For all sub-sectors of general government, Member States shall publish information on contingent liabilities with potentially large impacts on public budgets, including government guarantees, non-performing loans, and liabilities stemming from the operation of public corporations, including their extent.

Or. en

Amendment 179

Sylvie Goulard

Article 13 a (new)

Text proposed by the Commission

Amendment

Article 13a

Specific provisions for the euro area Member States

In addition to their obligations under this Directive and without prejudice to them, euro area Member States shall incorporate into their budgetary frameworks:

(a) a top-down approach, meaning a budgeting approach that starts off from an agreement on the total spending level that is then allocated in spending allotments for different ministries or government agencies and thereby supports adherence to spending limits;

(b) an independent fiscal council whose task is to provide independent monitoring, analysis, assessments and forecasts in all areas of domestic fiscal policy which may have an impact in the compliance by the euro area Member State with its obligations deriving from Articles 121 and 126 of the Treaty and from any legislation and measures adopted under any of these Articles or under Article 136 of the Treaty. It shall in particular provide assistance to the Commission to determine the methodology for defining the government investment expenditure referred to in article 126, paragraph 3 of the Treaty.

2. Also in addition to their obligations under this Directive and without prejudice to them, non euro area Member States may incorporate any or all of the above features into their budgetary frameworks, on a voluntary basis.

Or. en

Amendment 180

Arturs Krišjānis Kariņš, Gunnar Hökmark, Vicky Ford

Chapter 6 a (new)

Text proposed by the Commission

Amendment

Chapter 6a

Specific provisions for the participating Member States

1. In addition to their obligations under this directive and without prejudice to them, participating Member States shall incorporate into their budgetary frameworks:

(a) a top-down approach, meaning a budgeting approach starts off from an agreement on the total spending level that

is then allocated in spending allotments for different ministries or government agencies and thereby supports adherence to spending limits;

(b) an independent institution with expertise in fiscal policy whose task is to provide independent monitoring, analysis, assessments and forecasts in all areas of domestic fiscal policy which may have an impact in the compliance by the euro area Member State with its obligations deriving from Article 121 and 126 of the Treaty and from any legislation and measures adopted under any of these Articles or under Article 136 of the Treaty.

2. Also in addition to their obligations under this Directive and without prejudice to them, Member States with a derogation may incorporate any or all of the above features into their budgetary frameworks, on a voluntary basis, in accordance with the procedure in Article 2 (1a).

Or. en

Justification

The elements which have been considered desirable by the Council and by the Task Force in addition to the minimum requirements for national budgetary frameworks should be made mandatory for participating Member States, with an explicit reference to the possibility for Member States with a derogation to also incorporate such desirable elements.

Amendment 181

Astrid Lulling

Article 14 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Member States shall bring into force the provisions necessary to comply with this Directive by 31 December **2013** at the latest. They shall forthwith communicate to

Amendment

1. Member States shall bring into force the provisions necessary to comply with this Directive by 31 December **2012** at the latest. They shall forthwith communicate to

the Commission the text of those provisions and a correlation table between those provisions and this Directive.

the Commission the text of those provisions and a correlation table between those provisions and this Directive.

Or. en

Amendment 182
Vicky Ford

Article 14 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. For the purposes of clarification as to Member States' respective obligations under the Treaty and Protocols, Articles 5, 6, 7 of this directive shall apply to those Member States who have adopted the euro, or plan to adopt the euro as signified by their membership of ERMII. Other Member States may choose to be bound by its provisions by notifying the Commission by three months before the entry into force of this Directive, or thereafter, having given three months notice.

Or. en

Amendment 183
Philippe Lamberts

Article 14 a (new)

Text proposed by the Commission

Amendment

Article 14a

The Council, acting on a proposal from the Commission, decides to impose the lodging of a non-interest-bearing deposit to participating Member States whose currency is the euro that fail to comply

with all or part of this Directive. The non-interest-bearing deposit shall amount to 0.2% of the GDP of the Member State concerned in the preceding year. In the event of persistent non-compliance one year after the Decision, the amount of the deposit will 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.

The Commission will take into account the failure of Member States with a derogation to comply with certain parts of the legislation in the report established in accordance with article 140 TFEU.

Or. en

Amendment 184
Miguel Portas

Article 14 a (new)

Text proposed by the Commission

Amendment

Article 14a

Three years after the transposition date referred to in Article 14 the Commission shall publish a general report assessing the implementation of provisions necessary to comply with this Directive.

The report shall evaluate, inter alia, the effectiveness of:

(a) the requirement for cash-based fiscal data to all sub-sectors of government;

(b) the accuracy of macro-economic forecasts following ex-post evaluation;

(c) the design and effectiveness of fiscal rules;

(d) the design and effectiveness of fiscal institutes;

(e) the general level of transparency of government finances.

Or. en

Amendment 185
Hans-Peter Martin

Article 14 a (new)

Text proposed by the Commission

Amendment

Article 14a

Two years after the transposition date referred to in Article 14 the Commission shall publish a general report assessing the implementation of provisions necessary to comply with this Directive. The report shall evaluate, inter alia, the effectiveness of:

(a) the requirement for cash-based fiscal data to all sub-sectors of government;

(b) the accuracy of macroeconomic forecasts following ex-post evaluation;

(c) the design and effectiveness of numerical fiscal rules;

(d) the design and effectiveness of fiscal institutes;

(e) the general level of transparency of government finances.

Or. de

Amendment 186
Jürgen Klute

Article 15 – paragraph 1

Text proposed by the Commission

Amendment

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

This Directive 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