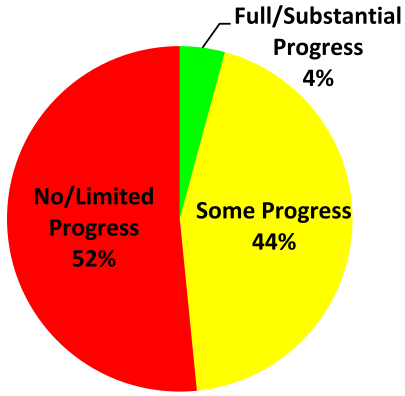
European Parliament

AT A GLANCE

Implementation of the 2015 Country Specific Recommendations

Country Specific Recommendations (CSRs) provide guidance on macro-economic, budgetary and structural measures in accordance with Articles 121 and 148 of the Treaty on the Functioning of the European Union (TFEU). These recommendations aim at boosting economic growth and job creation, while maintaining sound public finances. They are proposed by the Commission within the framework of the European Semester introduced in 2010, based on its assessment of Member States' medium-term budgetary plans and economic reform programmes, in light of broad policy priorities outlined in the Annual Growth Survey (AGS). After being endorsed by the European Council and adopted by the Council, CSRs are to be taken into account by Member States in the process of national decision-making. The Commission also proposes policy recommendations to the euro area as a whole based on Article 136 of the TFEU[1]. The Council and the Commission closely monitor the implementation of CSRs and take further actions as appropriate.

Chart 1: Implementation of the 2015 CSRs by EU Member States



Source: EGOV calculations based on the European Commission Country Reports (February 2016).
Notes: (1) Based on Commission's assessment of actions taken (rather than outcomes that may materialise with a lag), assigning identical weights to all CSRs across and within Member States (i.e. irrespective of their institutional and political sensitivities). (2) Calculations abstract from seven CSRs related to the compliance with the Stability and Growth Pact (SGP) that the Commission evaluated separately in its assessment of the 2016 Stability and Convergence Programmes (SCPs), without referring to the assessment grid used within Country Reports. Consequently, figures displayed in the chart are calculated based on a total of 95 CSRs (rather than 102, see Table 1).

Abstracting from a subset of CSRs related to compliance with the SGP, EU Member States fully/substantially implemented 4 out of 95 (or equivalently about 4%)[2] of the 2015 recommendations (see Chart 1). Some progress has been registered on approximately 44% of the CSRs, while more than half of the recommendations have not been implemented at all or only in a limited manner[3]. As depicted by Table 1, euro area Member States have had, taken together, a stronger implementation record than non-euro area Member States (this conclusion does not necessarily hold at individual

[1] Since the 2016 European Semester, Commission proposes its recommendations on the economic policy of the euro area at the start of the cycle along the AGS (i.e. in November).
[2] Out of 26 countries that received CSRs in 2015, only three implemented fully/substantially at least one recommendation (Spain, Italy and Slovenia).
[3] Four countries (Germany, Lithuania, Luxembourg and Sweden) made limited/no progress on all their respective CSRs.

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country level). In fact, countries whose currency is the euro made full/substantial or some progress on 53% of the recommendations (34 out of 64), as compared to 39% in case of non-euro area Member States (12 out of 31). Finally, the euro area as a whole made substantial or some progress on three out of four recommendations it received in 2015.

Table 1: Implementation of the 2015 recommendations under the European Semester

	Full/Substantial Progress	Some Progress	No/Limited Progress	Total 1	Assessed separately in the COM assessment of SCPs	Total 2
Belgium	0	3	1	4	-	4
Bulgaria	0	3	2	5	-	5
Czech Republic	0	3	1	4	-	4
Denmark	0	0	1	1	1	2
Germany	0	0	3	3	-	3
Estonia	0	2	0	2	1	3
Ireland	0	3	1	4	-	4
Greece	Economic Adjustment Programme					
Spain	1	2	1	4	-	4
France	0	3	3	6	-	6
Croatia	0	1	5	6	-	6
Italy	2	2	2	6	-	6
Cyprus	Economic Adjustment Programme					
Latvia	0	1	2	3	1	4
Lithuania	0	0	3	3	-	3
Luxembourg	0	0	3	3	-	3
Hungary	0	1	3	4	1	5
Malta	0	2	1	3	1	4
Netherlands	0	1	2	3	-	3
Austria	0	1	3	4	-	4
Poland	0	1	3	4	-	4
Portugal	0	4	1	5	-	5
Romania	0	1	3	4	-	4
Slovenia	1	2	1	4	-	4
Slovakia	0	1	3	4	-	4
Finland	0	3	0	3	1	4
Sweden	0	0	1	1	-	1
United Kingdom	0	2	0	2	1	3
EU 28	**4**	**42**	**49**	**95**	**7**	**102**
Out of which:						
EA-19 Member States	4	30	30	64	4	68
Non EA Member States	0	12	19	31	3	34
Euro Area CSRs	1	2	1	4	-	4

Source: EGOV calculations based on the Commission Country Reports (February 2016) and assessment of Stability and Convergence Programmes (May 2016).

Notes: (1) In its assessment of the implementation of CSRs, the Commission distinguishes the following five categories: *No progress:* The Member State has neither announced nor adopted any measures to address the CSR. This category also applies if a Member State has commissioned a study group to evaluate possible measures. *Limited progress:* The Member State has announced some measures to address the CSR, but these measures appear insufficient and/or their adoption/implementation is at risk. *Some progress:* The Member State has announced or adopted measures to address the CSR. These measures are promising, but not all of them have been implemented yet and implementation is not certain in all cases. *Substantial progress:* The Member State has adopted measures, most of which have been implemented. These measures go a long way in addressing the CSR. *Fully addressed:* The Member State has adopted and implemented measures that address the CSR appropriately. (2) The Commission evaluated CSRs related to the compliance with the SGP for seven Member States (DK, EE, LV, HU, MT, FI and UK) separately in its Assessment of the 2016 SCPs without referring to the assessment grid used within Country Reports. See a separate EGOV document for more details.