



**2023/2063(INI)**

15.2.2024

# OPINION

of the Committee on Budgets

for the Committee on Economic and Monetary Affairs

on the European Semester for economic policy coordination 2024  
(2023/2063(INI))

Rapporteur for opinion (\*): Margarida Marques

(\*) Associated committee – Rule 57 of the Rules of Procedure

PA\_NonLeg

## SUGGESTIONS

The Committee on Budgets calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Underlines the uncertain economic and social outlook for the EU resulting from the lasting impact of the COVID-19 pandemic, the consequences of Russia's war of aggression against Ukraine, inflation and the energy and cost-of-living crises; notes that the Union economy is expected to gradually recover in 2024, with a forecast growth of 1.3 % of GDP and a generally robust labour market; points, however, to the various challenges and uncertainties which put a strain on European businesses, public finance, public social and welfare policies and people, and affect some Member States more than others; is concerned that the level of inflation is expected to remain substantially above 2 % in 2024, at 3.5 %; is particularly concerned about the continuous impact of energy prices and inflation on the purchasing power of households, resulting in an increased risk of poverty for many Europeans, and on EU companies' ability to perform;
2. Stresses that the current EU economic governance framework has proved inadequate to address past and current challenges and that a revision is urgently needed; takes note of the proposed reform of the economic governance framework of the Union; believes that the new framework should ensure clear, flexible and transparent implementation, and provide the adequate fiscal space for Member States to implement growth-enhancing and socially just reforms and investments, to make their economies and societies more resilient, safe, secure, sustainable, fair and inclusive and to invest in the EU's strategic priorities, in particular in the twin transitions, social policies, defence and food security; recalls its position that an EU-level permanent crisis instrument, over and above the multiannual financial framework (MFF) ceilings, will contribute to ensuring a sufficiently high level of strategic investment and an appropriate fiscal stance at the aggregate level and to increasing the readiness of the Union to quickly react to ongoing and upcoming crises and their social and economic effects;
3. Recalls that respect for the rule of law guarantees greater justice, equality and economic stability; underlines the importance of compliance with the rule of law and the general regime of conditionality; recalls that protecting the Union budget against potential breaches of the rule of law is a fundamental prerequisite for accessing the fund, as is the application of effective monitoring, audit and enforcement mechanisms to Union funds, in particular in order to prevent misuse, fraud, corruption and conflicts of interest and to ensure transparency; calls on the Commission to ensure that there is no backsliding on achievements in the rule of law;
4. Recognises that NextGenerationEU (NGEU), in particular the Recovery and Resilience Facility (RRF), and the Support to mitigate Unemployment Risks in an Emergency (SURE) have demonstrated their successes and effectiveness in supporting the recovery of EU economies and in contributing to macroeconomic stabilisation and resilience across the EU; notes, further, their positive impact on the implementation of the country-specific recommendations and on investments in EU priorities; welcomes the

fact that most Member States have submitted revised national plans, including REPowerEU chapters; welcomes the Commission's estimate that the full implementation of quantifiable milestones and targets funded by NGEU Green Bonds until the end of 2026 has the potential to reduce greenhouse gas emissions by 44 million tonnes per year; stresses that the milestones and targets must be fulfilled for national plans to be successfully and effectively implemented; stresses that investments in line with European objectives, notably those of the RRF and REPowerEU, should be taken favourably into account when deciding on extensions for Member States' to submit their fiscal plans;

5. Recalls the need to take into consideration the particular financial and economic effects of the war in Ukraine, especially on the frontline countries and calls on the Commission to take the necessary measures;
6. Underlines the need for better policy coordination and for increased social and educational dimensions within the framework of the European Semester; underscores, further, that significant public investments will be needed to support a sustainable, fair and inclusive recovery in the EU, to address the energy crisis and to enable upward social and economic convergence in order to ensure the EU's strategic autonomy; stresses, further, the considerable needs for public and private investment to tackle climate change, estimated by the Commission at more than EUR 450 billion in investments annually, and to promote the digitisation of the economies; underlines that the European Semester process should contribute to the full implementation of the UN Sustainable Development Goals, the European Pillar of Social Rights, the EU's climate and biodiversity objectives and the EU Gender Equality Strategy;
7. Recalls that the substantial increase in interest rates has driven up the borrowing costs for the European Recovery Instrument (EURI); calls, therefore, for a stable and predictable solution for the repayment of the EURI borrowing costs, over and above the MFF ceilings, in order to protect EU programmes from cuts; strongly insists on the rapid introduction of genuine, adequate and effective new own resources, in particular those agreed on in the legally binding roadmap established under the Interinstitutional Agreement on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources<sup>1</sup>, such as a financial transaction tax and a financial contribution linked to the corporate sector or a new common corporate tax base; calls on the Commission to present additional proposals for genuine own resources;
8. Calls for Parliament to be fully involved in reforming the economic governance framework and the future conduct of economic governance in the EU, including in the establishment and management of fiscal instruments; recalls that its role in the European Semester should be significantly strengthened.

---

<sup>1</sup> OJ L 433I, 22.12.2020, p. 28.

**ANNEX: ENTITIES OR PERSONS  
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The rapporteur declares under her exclusive responsibility that she did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	14.2.2024
<b>Result of final vote</b>	<div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">+:</div> <div>24</div> </div> <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">-:</div> <div>4</div> </div> <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">0:</div> <div>5</div> </div>
<b>Members present for the final vote</b>	Rasmus Andresen, Olivier Chastel, Katalin Cseh, Andor Deli, José Manuel Fernandes, Jonás Fernández, Eider Gardiazabal Rubial, Alexandra Geese, Vlad Gheorghe, Eero Heinäluoma, Niclas Herbst, Monika Hohlmeier, Hervé Juvin, Moritz Körner, Joachim Kuhs, Camilla Laureti, Janusz Lewandowski, Siegfried Mureşan, Eva Maria Poptcheva, Bogdan Rzońca, Eleni Stavrou, Nils Torvalds, Nils Ušakovs, Angelika Winzig
<b>Substitutes present for the final vote</b>	Anna-Michelle Asimakopoulou, Lefteris Nikolaou-Alavanos, Jan Olbrycht, Grzegorz Tobiszowski, Roberts Zīle
<b>Substitutes under Rule 209(7) present for the final vote</b>	Michael Gahler, Thijs Reuten, Maria Veronica Rossi, Pedro Silva Pereira

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

24	+
PPE	Anna-Michelle Asimakopoulou, José Manuel Fernandes, Michael Gahler, Monika Hohlmeier, Janusz Lewandowski, Siegfried Mureşan, Jan Olbrycht, Eleni Stavrou, Angelika Winzig
Renew	Olivier Chastel, Katalin Cseh, Vlad Gheorghe, Moritz Körner, Eva Maria Poptcheva, Nils Torvalds
S&D	Jonás Fernández, Eider Gardiazabal Rubial, Eero Heinäluoma, Camilla Laureti, Thijs Reuten, Pedro Silva Pereira, Nils Ušakovs
Verts/ALE	Rasmus Andresen, Alexandra Geese

4	-
ID	Joachim Kuhs
NI	Andor Deli, Hervé Juvin, Lefteris Nikolaou-Alavanos

5	0
ECR	Bogdan Rzońca, Grzegorz Tobiszowski, Roberts Zile
ID	Maria Veronica Rossi
PPE	Niclas Herbst

Key to symbols:

+ : in favour

- : against

0 : abstention