

**Question for written answer E-002963/2022  
to the Commission**

Rule 138

**Dimitrios Papadimoulis** (The Left)

Subject: Creation of central fiscal capacity to underpin the EU economy

The Union is going through a critical period of high economic uncertainty with an explosive rise in Member States' public debt and inflation, not to mention the risk of further asymmetric external shocks, compounded by the worsening climate and energy crisis. Senior International Monetary Fund officials are pointing out that, given the economic uncertainty and the financial storms on the horizon, reform of the EU fiscal framework will brook no delay and is calling for the creation of a central fiscal capacity financed through common debt issuance to help improve economic crisis management in the euro area countries<sup>1</sup>. The creation of a central fiscal capacity for the euro area is already being advocated by the European Central Bank<sup>2</sup> and a European Stability Mechanism study<sup>3</sup>, while the idea of a fiscal union has received particularly robust public support at the Conference on the Future of Europe<sup>4</sup>. In a previous reply, the Commission agreed that central fiscal capacity was a missing element in the architecture of Economic and Monetary Union<sup>5</sup>.

In view of this:

Can the Commission say whether it intends to include in its package of proposals for the revision of the EU economic framework the creation of a centralised fiscal capacity or permanent fiscal mechanisms able to ensure a more stable response to economic crises and dangers?

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<sup>1</sup> <https://www.bloomberg.com/news/articles/2022-09-05/imf-urges-eu-fiscal-revamp-to-ward-off-threat-to-bloc-s-future#xj4y7vzkg>

<sup>2</sup>

[https://www.ecb.europa.eu/pub/pdf/other/eurosystem\\_reply\\_commission\\_eu\\_economy\\_after\\_covid\\_implications\\_economic\\_governance211202~d2eeec68dc.en.pdf](https://www.ecb.europa.eu/pub/pdf/other/eurosystem_reply_commission_eu_economy_after_covid_implications_economic_governance211202~d2eeec68dc.en.pdf)

<sup>3</sup> [https://www.esm.europa.eu/system/files/document/2022-05/ESM\\_DP\\_20.docx.pdf](https://www.esm.europa.eu/system/files/document/2022-05/ESM_DP_20.docx.pdf)

<sup>4</sup> <https://futureu.europa.eu/processes/Economy/fi/10/proposals?locale=en>

<sup>5</sup> [https://www.europarl.europa.eu/doceo/document/E-9-2022-001715-ASW\\_EL.html](https://www.europarl.europa.eu/doceo/document/E-9-2022-001715-ASW_EL.html)