

**Question for written answer E-001699/2023
to the Commission**

Rule 138

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Subject: How much did Brussels borrow at variable rates, and what are the risks this poses to France's finances?

On 11 June 2021, when interest rates were at an all-time low, the Commission announced a major EUR 800 billion recovery plan (NextGenerationEU)¹.

Initially, the Commission was not clear in its explanation of how it would finance this plan, but it did indicate that repayments would be made until 2058. By 31 December 2022, EUR 300 billion had apparently been borrowed since 2020, including EUR 171 billion for this plan, which means that there would still potentially be >EUR 600 billion left to borrow². In 2023, the Commission is expected to issue up to EUR 170 billion in 'eurobonds'.

The Commission is saying very little about the impact of soaring borrowing costs, but is already considering introducing additional European taxes to cover repayments³. Given the risk posed by these 'toxic' loans, it is concerning that the Commission's Internal Audit Service has not carried out any audit relating to the NextGenerationEU programme in 2021⁴.

As part of this EUR 800 billion plan:

1. In total, how much was borrowed or financed at a variable rate?
2. In total, how much interest was paid to third-country entities in 2022?
3. In total, how much interest would France have to pay if the average rate was set at 3 %?

Submitted: 26.5.2023

¹ https://commission.europa.eu/strategy-and-policy/eu-budget/eu-borrower-investor-relations/nextgenerationeu_en?ettrans=en

² https://commission.europa.eu/system/files/2023-02/COM_2023_93_F1_REPORT_FROM_COMMISSION_EN.PDF

³ https://www.europarl.europa.eu/doceo/document/A-9-2023-0155_EN.html

⁴ Paragraphs 11 and 163, https://www.europarl.europa.eu/doceo/document/A-9-2023-0101_EN.html