European Semester: coordinating economic policies between EU countries

The EU coordinates and monitors member states’ economic, budgetary and employment policies in a process known as the European Semester. Watch our video to find out more.

How the European Semester works

The European Semester starts every year with the European Commission publishing its annual growth survey in November. This is a growth forecast setting up a framework, which EU countries can use to evaluate their budgetary plans. While strong growth means more revenue, weak growth leads to less revenue.

It ends in June when national governments adopt the recommendations based on the annual growth survey. They have to take these recommendations on board when drafting their budget for the following year.

Throughout the process Parliament plays an advisory role. It also holds public debates to raise awareness, involves national MPs in an annual conference known as the European Parliamentary Week and ensures the accountability of proposals and decisions by the Commission and the Council.

How it started

The economic and financial crisis that started in 2008 showed how quickly and strongly instability in one country could spread to the rest of the European Union. In 2010 the European Council decided to establish the European Semester to help to better coordinate national policies at the EU level. The resulting structural reforms could then ensure stability, prevent or curb excessive public debt and deficits, as well as boost growth and fight unemployment. The first European Semester took place the following year.

Although all EU countries are involved, there is a special focus on those in the euro zone.
Find out more about the European Semester

Briefings
European Commission webpage
Council website

Cycle of the European Semester

- The European Commission publishes the annual growth survey setting out the EU's priorities (November)
- EU heads of state adopt the EU's economic priorities (March)
- EU countries submit their action and reform plans to the Commission (April)
- Commission produces country-specific recommendations (May)
- European Council endorses the country-specific recommendations (June)
- EU countries use recommendations when drafting next year's budget
- The European Parliament plays an advisory role in the process

Video