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## Eurogroup President questioned on fiscal rule reform, inflation, and banking union

**The reform of the EU's fiscal rules, banking union, inflation and the economic recovery topped the discussion MEPs had with Eurogroup President Paschal Donohoe on Wednesday.**

Meeting the EP's economic and monetary affairs committee, Mr Donohoe said the economic outlook continued to look favourable but warned of remaining headwinds with levels of uncertainty continuing to be high. He also said that although fiscal support would be lower this year than last year, it would be important to avoid cliff edge effect and that country specific circumstances would continue being considered.

Many MEPs asked about the next milestones for the banking union, and what expectations Mr Donohoe had regarding the reform of the EU's fiscal rules, for which a Commission proposal will soon be tabled. MEPs also expressed concerns over rising inflation, saying that not enough was being done about it. Others however directed their concern at investment levels which, according to them remained obstinately low. A few MEPs also asked what the EU could do about worrying housing bubbles in certain member states and whether the divergences in competitiveness beginning to show up between some EU countries was a cause for concern.

You can watch the meeting again [here](#) (scroll to 14:45).

### Further information


[Committee on Economic and Monetary Affairs](#)


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