Resolution on the scoreboard for the surveillance of macroeconomic imbalances: envisaged initial design

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The European Parliament adopted a resolution tabled by the Committee on Economic and Monetary Affairs on the Scoreboard for the surveillance of macroeconomic imbalances: envisaged initial design in response to the Commission staff working paper of 27 October 2011 on the same subject.

It recalls that the main objective of the newly established surveillance mechanism is the prevention and correction of excessive macroeconomic imbalances in the EU and, in particular, in the Eurozone. In accordance with Regulation (EU) No 1176/2011, further objectives of the new mechanism include sustained convergence of economic performances of the Member States and closer coordination of economic policies. Parliament stresses that, in the light of the current economic situation, it is **essential for the macroeconomic surveillance framework to be up and running as soon as possible.** It believes that potential spillover effects of Member State and Union policies should be identified and discussed at an early stage (e.g. as part of the Annual Growth Survey), and in any case before as well as after the adoption of convergence/stability programmes. It asks the Commission to make explicit how it intends to deal with these spillover effects in its latest version of the scoreboard. Parliament feels that Member State governments need to be ready to take action on potential problems, as this is the only way to make sure that the surveillance framework has the desired impact. It also stresses that transparent implementation of this new policy instrument is of the utmost importance throughout the procedure, and, in that connection, urges the Commission to ensure that any documents or working papers on the scoreboard are explicitly and formally addressed to both Parliament and the Council on an equal basis.

Parliament asks the Commission to expand on certain points:

- the Commission should include all the elements specified for the economic reading of the scoreboard in Article 4 of Regulation (EU) No 1176/2011, notably in relation to employment, drivers of productivity and the role of energy;

- the threshold retained for the unemployment rate fails to capture flow developments, such as annual increases in that rate;

- with regard to the Commission's intention to provide, by the end of 2012 and in time for the subsequent European Semester, a new set of indicators and related thresholds for the financial sector, the Commission needs to make explicit the relationship between such financial sector indicators and the dashboard envisaged in the European Systemic Risk Board (ESRB) Regulation;

- the Commission is asked to provide a more complete explanation of its methodological approach, including the different options envisaged, along with a comprehensive bibliography as background to the scoreboard.

Lastly, Members recall the Commission's declaration attached to Parliament's resolution of 28 September 2011 on the proposal for a regulation on the prevention and correction of macroeconomic imbalances ('six pack'), which stated that macroeconomic surveillance covers countries with current account deficits and surpluses with appropriate differentiation as regards the urgency of policy responses and the type of

corrective actions required. They point out that this declaration paved the way for a final agreement on the ‘six pack’ and they invite the Commission to remain fully committed to it. Any conclusions that may be reached by the Council cannot limit the Commission’s legal rights in this respect.