

# European Semester for economic policy coordination: Annual Growth Survey 2013

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The Committee on Economic and Monetary Affairs adopted the initiative report by Elisa FERREIRA (S&D, PT) on the European Semester for Economic Policy Coordination: Annual Growth Survey 2013.

The Committee on Legal Affairs, exercising its prerogatives of an associated committee in accordance with [Rule 50 of Parliament's Rules of Procedure](#), was also consulted for an opinion on this report.

The Committee responsible welcomes the fact that the [Annual Growth Survey \(AGS\) 2013](#) recognises that **sustainable growth** enhancing and **green job-rich sectors** and activities are necessary in order to exit the crisis. It stresses that the solutions specifically targeting the current sovereign and financial crisis, namely the appropriate structural reforms, should go hand-in-hand with measures that boost long-term competitiveness and growth of the European economy and regain confidence.

Members agree with the Commission that **growth-friendly fiscal consolidation** is necessary in order to exit the crisis. Deploring the lack of implementation in the Member States of policies and actions agreed at the EU level, they urge Member States to (i) correct excessive deficits by the deadlines set by the Council, reminding them that a level of flexibility is foreseen in the 6-pack; and (ii) improve their domestic fiscal frameworks with a view to promoting efficient and sustainable fiscal policies.

The report invites the Commission to start developing as a matter of urgency ways to ensure that elements of sustainable fiscal discipline are **followed up with concrete proposals on growth and jobs and the required structural reforms**, namely to (i) reduce youth unemployment including by better matching the qualifications of young people to labour demand, (ii) combat labour market segmentation, (iii) improve the sustainability of pension systems, (iv) increase the efficiency of taxation systems, (v) enhance competition in the relevant areas of the services sector, (vi) facilitate credit access, (vii) cut red tape, remove unnecessary layers of government and (viii) combat tax evasion.

It also calls on the Commission to come forward with a **holistic approach to tackling sustainable growth** towards the EU2020 objectives, which should include (i) completing the internal market, (ii) increasing competition, (iii) a genuine European industrial policy, (iv) a robust and adequately targeted cohesion policy and (v) the guarantee that Europe will use all its strength and influence in its external trade relations.

The report also insists on the need to:

- ensure that investments in research, development and innovation are intensified and streamlined and the results are quickly turned by the public and private sectors in Europe into competitive advantage and increased productivity;
- intensify efforts to reduce dependency on imports of energy and raw materials in order to create a more environmentally, economically and socially sustainable Europe.

Members regret the Commission did not properly address the **role of the EU budget** in the European Semester process and point out that funding at EU level can generate savings for all the Member States' budgets. They condemn the position taken once again by the Council in the framework of the 2013 budget negotiations of **reducing artificially the level of payment appropriations available in the EU budget**. They call, once more, on the Council to agree with Parliament and the Commission on a common method to assess real payment needs in order to implement the Compact for Growth and Jobs.

Lastly, the report recalls the need to **enhance democratic legitimacy in the context of the European Semester**: it invites the Commission to come to the competent committees of Parliament to present the AGS in the beginning of November each year, starting 4-5 November 2013, so as to allow sufficient time for Parliament to present its views in subsequent European Semesters.