

Economic governance: effective enforcement of budgetary surveillance in the euro area. 'Six pack'

2010/0278(COD) - 27/06/2014 - Follow-up document

In accordance with the requirements of Regulation (EU) No 1173/2011 on the effective enforcement of budgetary surveillance in the euro area, the Commission presents a report on the exercise of the power to adopt delegated acts conferred on the Commission, with particular reference to sanctions concerning the manipulation of statistics. To recall, the Regulation is one of the six legal acts in the economic governance package ('**the six-pack**'), which was designed to address the gaps and weaknesses identified in the EU economic governance system, which were partly responsible for the spread of economic crisis in EU countries.

Regulation (EU) No 1173/2011 empowers the Commission to adopt delegated acts with respect to: (i) certain procedures in connection with sanctions concerning the manipulation of statistics, (ii) detailed rules concerning the procedures for investigations; (iii) detailed criteria establishing the amount of any fines that the Council might impose; (iv) associated measures and measures on reporting on the investigations; (v) detailed rules of procedure aimed at guaranteeing the rights of the defence, access to the file, legal representation, confidentiality and provisions as to the timing and the collection of the fines.

On 29 June 2012, the Commission adopted a single delegated decision on investigations and fines to cover all the aspects for which it was empowered to adopt delegated acts: Commission Delegated Decision 2012/678/EU. It notified the European Parliament and the Council. In July 2012, a number of Member States voiced the opinion that more time was needed to examine the act. On 24 July, the Council therefore decided to extend the objection period by two months (in addition to the standard two-month period allowed) as provided for in Regulation (EU) No 1173/2011. **Neither the European Parliament nor the Council issued any objection to the delegated act** within the four-month period. On the expiry of the additional two-month period, the delegated act was published in the *Official Journal of the European Union* and entered into force on 26 November 2012.

The Commission concludes that it has **exercised its delegated powers correctly** and invites the European Parliament and the Council to take note of the report.