Annual assessment of the implementation of stability and convergence programmes

2002/2016(INI) - 23/04/2002

The committee adopted the own-initiative report by Ioannis MARINOS (EPP-ED, GR) on the annual assessment of implementation of stability and convergence programmes. Against a background of low growth of 1.5% and persistent high unemployment at 8.4% in the euro area during 2001, the committee said that there was a need for some regions in the EU to make up lost ground and that poor economic performance should be taken into account when assessing convergence. At the same time, it reaffirmed its commitment to the Stability and Growth Pact but warned, with the cases of Germany and Portugal in mind, that there were dangers of the Pact being undermined if no action was taken against national governments loosening spending controls during election campaigns. The committee also wanted to see public expenditure cuts in high spending states, with tax cuts focusing on reducing labour costs. There was also a need to boost investment and push ahead with reforms of the labour market if the EU was to increase competitiveness. Lastly, the committee felt that pension reform was another priority.