Resolution on the Stability and Growth Pact, outcome of the ECOFIN meeting of 22-23 September 2001 in Liège

2001/2604(RSP) - 04/10/2001 - Text adopted by Parliament, topical subjects

The European Parliament voted 253 to 237 with 7 abstentions in favour of a joint resolution supporting the Stability and Growth Pact. The resolution 'asks the Council to reiterate its commitment to maintain the Stability and Growth Pact in its present form and to continue fully to implement its principles. The resolution supports the goal of balanced budgets by 2002 or 2004 according the the Member State and points out that there is flexibility in the Stabilty and Growth Pact to take account of cyclical factors such as an economic turndown. It also urges the national government not to take off measures which distort the real financial situation and emphasises Parliament's support for stability programmes. MEPs also want to see a common definition of 'underlying budget balance'. Finance Ministers are asked to improve monitoring of the tax situation in the Member States. The resolution also welcomes international moves to reduce interest rates and supports the adoption of legislation to tackle money laundering. There is also support for setting-up a special task force to look at ways a terrorism. As for the international financial system, the resolution notes the success of Chile's policy of requiring non-interest bearing deposits to match foreign investment with a view to encouraging long-term investment.