Excessive deficit procedure: speeding up and clarifying the implementation

2005/0061(CNS) - 24/05/2005

The committee adopted the report by Othmar KARAS (EPP-ED, AT) amending the proposal under the consultation procedure:

- with regard to the excessive deficit procedure, there should be a definition of the concept of an "exceptional and temporary excess" of budget deficit over the permitted 3 % of GDP, and this should be done in the context of the Commission's budgetary forecasts and common external assumptions;

- whereas the proposal stipulated that, when making a qualitative assessment of a deficit, special consideration should be given to "contributions to fostering international solidarity and to achieving European policy goals, notably the unification of Europe", the committee felt that these factors were almost impossible to specify and should be removed altogether. It proposed instead that due consideration be given to "unexpected and exceptional factors"beyond the political will of the Member State concerned, "such as natural or ecological catastrophes". There should also be "an agreed and clearly enumerated list" of which other factors might be judged relevant;

- the maximum deadline for correction of an excessive deficit "should not exceed three years after its occurrence".