

# **The 2014 Stability and Convergence Programmes:**

## An Overview

This paper provides an overview of Member States' 2014 Stability and Convergence Programmes (SCPs), with a focus on fiscal consolidation plans over 2013-2017. The paper serves as background for the examination of the SCPs against the requirements of the Stability and Growth Pact - both the corrective and the preventive arm - and provides a global, aggregated view of fiscal policy plans in the Union and the euro area as a whole.

The paper consists of five sections. Following an Introduction, Section 2 examines the implementation of SCPs in 2013. Section 3 presents the macroeconomic scenarios and budgetary plans set out by Member States in their SCPs, in particular the fiscal consolidation strategies (pace, time profile and composition of the fiscal adjustment) in nominal and structural terms over 2014 to 2017. Section 4 contains an analysis of the risks present in the SCPs plans, focusing on risks to projections of macroeconomic variables and related revenue targets and, in particular, examining the differences between the Commission's projections and those contained in Member States' SCPs. Section 5 looks at the longer term implications of the plans for fiscal sustainability, notably taking into account the projected changes in age-related expenditure. Finally, Annex I provides tables with data from both the SCPs and the Commission 2014 spring forecast.