



THE SENATE
OF THE PARLIAMENT OF THE CZECH REPUBLIC
9TH TERM

231ST

RESOLUTION OF THE SENATE

Delivered on the 11th session held on 20th June 2013

on the Communication from the Commission to the European Parliament and the Council Towards a Deep and Genuine Economic and Monetary Union The Introduction of a Convergence and Competitiveness Instrument /Senate Press no. K 054/09/

and

on the Communication from the Commission to the European Parliament and the Council Towards a Deep and Genuine Economic and Monetary Union Ex ante coordination of Plans for Major Economic Policy Reforms Senate /Press no. K 055/09/

The Senate

I.

1. Supports

the Commission's efforts in search for a long-term solution to current economic problems and its attempts to find a more effective and efficient design of Economic and Monetary Union;

2. Therefore welcomes

the publication of both Communications which, following the Commission's Communication *A Blueprint For A Deep And Genuine EMU - Launching a European Debate*, facilitates further assessment of possible mechanisms of stronger coordination of economic policies of the Member States.

3. Highlights

the fundamental and irreplaceable role of national parliaments in democratic control of government's economic policy, approval of the state budget and adoption of laws introducing economic reforms; this role must be, in the case of strengthening coordination of economic policies of the Member States, fully respected;

II.

1. Supports

a coordinated benchmarking of major economic reforms of the Member States, including the assessment of their impact on other Members States and the European Union as a whole, which could contribute to a more effective mutual sharing of information and best practices and their reflection in reform plans of the Member States;

2. Recommends

building on existing processes and on tools already in place as much as possible when considering strengthening economic policy coordination, so as to avoid duplication of instruments serving the same purpose and an increase in administrative burden;

3. Requests

that the Commission clarify how it intends to eliminate, or at least minimize, the risk of moral hazard related to the Convergence and Competitiveness instrument through which the Member States could be encouraged to postpone or condition the implementation of necessary reforms until they receive a promise of financial support;

4. Considers it necessary

to further clarify certain modalities of the envisaged Convergence and Competitiveness instrument, especially in terms of

- its scope, and above all the types of national reforms that it should cover,
- the methodology that would ensure a fair allocation of funds from the mechanism of solidarity to individual Member States in relation to specific reforms and rule out unequal treatment of Member States, and
- specifying the focus of financial support from the solidarity mechanism, i.e. defining the type of costs or investments that should be reimbursed using the mechanism;

III.

1. Requests

the Government to inform the Senate about the way this position was taken into account, and about further initiatives following this Communication;

2. Authorises

the President of the Senate to forward this Resolution to the European Commission.

Milan Štěch
sign manual
President of the Senate

Miroslav Škaloud
sign manual
Senate Verifier