

ADOPTED TEXT No **654**

*'Provisional'*

—

## **NATIONAL ASSEMBLY**

Constitution of 4 October 1958

Fourteenth legislature

**ORDINARY SESSION, 2015-2016**

**3 January 2016**

## **EUROPEAN RESOLUTION**

*on governance of the euro area.*

*The following resolution is considered as final in accordance with Article 151-7 of the Rules of Procedure:*

See No: **3233**.

**Sole article**

The National Assembly,

Having regard to Article 88-4 of the Constitution,

Having regard to the Treaty on European Union,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union, signed in Brussels on 2 March 2012,

Having regard to the Protocol on the role of national parliaments in the European Union,

Having regard to the report of 22 June 2015, 'Completing Europe's Economic and Monetary Union', presented by the President of the European Commission, Jean-Claude Juncker, in cooperation with the President of the European Council, Donald Tusk, the President of the Eurogroup, Jeroen Dijsselbloem, the President of the European Central Bank, Mario Draghi, and the President of the European Parliament, Martin Schulz,

Having regard to the Communication of 21 October 2015 from the Commission to the European Parliament, the Council and the European Central Bank on steps towards completing Economic and Monetary Union (COM [2015] 600),

Having regard to the Recommendation of 21 October 2015 for a Council Recommendation on the establishment of National Competitiveness Boards within the Euro Area (COM [2015] 601),

Having regard to Commission Decision C (2015) 8000 of 21 October 2015 establishing an independent advisory European Fiscal Board,

Having regard to the European Parliament resolution of 24 June 2015 on the review of the economic governance framework: stocktaking and challenges,

Having regard to the Franco-German contribution of 22 May 2015 on the Economic and Monetary Union,

Whereas the medium- and long-term objectives of the Economic and Monetary Union are full banking and financial union, deeper economic policy coordination, including its social dimension, the establishment of a fiscal capacity that plays a countercyclical role, the possibility to issue joint debt, the creation of a European Treasury and, to ensure the democratic legitimacy of the euro area's governance, the introduction, from the national parliaments, of the euro area's own parliament;

Whereas, pending a revision of the Treaties, the successive crises faced by the euro area call for the adoption in the short term of measures capable of improving the euro area's governance;

1. Supports the creation, within each Member State of the euro area, of an independent board to analyse the national economy's competitiveness and produce an opinion on the reforms needed; considers that these competitiveness boards should operate as a network to coordinate their actions; highlights the need for the national parliaments to be able to conduct hearings of the members of competitiveness boards; expects competitiveness evaluations to take into account all indicators involved in sustainable development, in particular social protection and environmental quality;
2. Considers that the European Fiscal Board should not be established as the result of a unilateral decision by the European Commission, but be the result of the European legislative process; calls for clarification of the Board's terms of reference so that its assigned mission is one of technical evaluation centred on certain specific fiscal issues, for instance the sustainability of fiscal trajectories; believes that the rules governing the appointment of its members and its workings should be revised to ensure greater independence and efficiency and that the rules on cooperation between the European Board and the national boards should be clarified; considers that the national parliaments and the European Parliament should be able to conduct hearings attended by the members of the European Fiscal Board;
3. Believes it is necessary to simplify and instil greater coherence in Europe's budgetary and macroeconomic monitoring mechanisms and the economic policy coordination procedure, or 'European Semester', and suggests that they be merged to this end;
4. Highlights the need to complement the monitoring of macroeconomic imbalances and excessive government deficits by using social indicators and scoreboards to monitor social imbalances;

5. Considers that the budgetary surveillance rules should be interpreted so that they do not lead to the introduction of pro-cyclical fiscal policies, do not slow down investment, particularly in terms of energy transition, and do not result in counter-productive financial sanctions;

6. Believes that the analysis of macroeconomic imbalances should be simplified by placing the emphasis on a composite indicator, such as the absolute value of the current account balance in relation to GDP, and that the procedure for macroeconomic imbalances should be implemented symmetrically regardless of whether the excessive imbalances detected are negative or positive;

7. Calls on the December European Council to define guidelines on how to conduct economic policy within the euro area centred on consolidating the potential for growth and upward economic, fiscal and social convergence; considers that this coordination should be based on a sophisticated diagnosis of economic policy within the euro area and the Member States, established on the basis of a single report from the European Commission that highlights the specific challenges facing the euro area; expects the country-specific recommendations to focus on a select number of priorities and make greater allowance for each Member State's specific characteristics; reminds the European Commission of its duty to ensure that these recommendations are worded so that they respect the sovereign right of the countries concerned to determine the timetable and the resources to be implemented;

8. Defends the idea of appointing a president of the euro area summits who is different from the President of the European Council, in order to raise the euro area's profile; believes that these summits should be convened at least six times a year; highlights the need to strengthen the Eurogroup by endowing it with majority voting rules and increasing its human and material resources; supports the introduction of a 'Social Eurogroup';

9. Emphasises that the Interparliamentary Conference on Stability, Economic Coordination and Governance in the European Union aims to ensure democratic responsibility in the field of economic governance and EU fiscal policies; considers that it should be actively involved in the European Semester by debating and deciding the definition of the broad economic policy guidelines and the country-specific recommendations; believes that it should be able to conduct hearings attended by the members of the European Fiscal Board;

10. Highlights the need for the National Assembly to be present at every stage of the European Semester; calls on the Government to involve representatives of the Finance and European Affairs committees in the exchanges with the European Commission prior to the presentation of the stability and reform programmes; reminds the Government of the pressing need for the National Assembly to be allowed a vote on the stability and reform programmes, and re-affirms its desire to be able to amend these.

*Paris, 3 January 2016*

*The President,*

*Signed:* CLAUDE BARTOLONE