## SENATE OF THE ITALIAN REPUBLIC

17TH PARLIAMENTARY TERM

Doc. XVIII-bis No 4

## **RESOLUTION OF STANDING COMMITTEE 14**

(European Union Policies)

(Rapporteur BERGER)

adopted at the sitting of 11 December 2013

## **CONCERNING**

THE PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE PROVISION AND QUALITY OF STATISTICS FOR THE MACROECONOMIC IMBALANCES PROCEDURE (COM(2013) 342 FINAL)

pursuant to Article 144(1), (5) and (6) of the Rules of Procedure

Communicated to the President's Office on 16 December 2013

TYPOGRAPHICAL SERVICE OF THE SENATE

17TH PARLIAMENTARY TERM – DRAFT LEGISLATION AND REPORTS – DOCUMENTS – DOC. XVIII-BIS NO  $4\,$ 

The Committee, having examined document COM(2013) 342 final,

whereas the purpose of this document is to establish a robust statistical monitoring system covering data quality, the compilation and transmission of data and the reporting/communication of the data to the different stakeholders and to the European Parliament and the Council, in the context of the macroeconomic imbalances procedure (MIP) refined as part of the 'six pack' by Regulation (EC) No 1176/2011 of the European Parliament and of the Council of 16 November 2011;

whereas the proposal, although it assigns new tasks to the European Commission (through Eurostat) in terms of validating the quality of the MIP-relevant data, cannot be implemented effectively without the close cooperation of the statistical authorities in the Member States, which remain fully responsible for collecting and compiling the data;

given the broad powers of investigation granted to the Commission, which, should it identify specific problems in assessing the quality of the data provided, may carry out missions to the Member State in question in order to examine in detail the quality of MIP-relevant data and may, above all, ask the Council to fine a Member State that intentionally or by serious negligence misrepresents MIP-relevant data;

issues a favourable opinion, within its area of competence, with the following comments:

the legal basis for the proposal is rightly identified as Article 338 of the Treaty on the Functioning of the European Union (TFEU), on the basis of which the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, adopt measures for the production of statistics where necessary for the performance of the activities of the Union;

the proposal complies with the subsidiarity principle, as the Member States cannot ensure an adequate level of clarity and uniformity without a clear European framework, i.e. European legislation laying down a common quality monitoring procedure for MIP-relevant data; the proposal also complies with the proportionality principle, as it is limited to the minimum required to achieve its objectives.

As regards the substance of the proposal, we have serious concerns regarding Article 9(4), which, in the context of the procedures that may result in a Member State being fined, grants the Commission the power to issue delegated acts (for a maximum period of three years) setting out detailed criteria establishing the amount of the fine (which may not, however, exceed 0.05 % of GDP); rules concerning the procedures for investigations, the associated measures and the reporting on the investigations; and detailed rules of procedure aimed at guaranteeing the rights of the defence, access to the file, legal representation, confidentiality and provisions as to timing and the collection of the fines. Not only are these matters clearly very sensitive, they also appear substantive in nature and are not limited to supplementing and amending non-essential elements of the legislative act in question, as explicitly provided for by Article 290 TFEU on delegated acts. The broad freedom of action granted to the Commission should be given careful consideration, especially since this is further accentuated by the general, non-prescriptive nature of Article 9, which merely introduces a system of penalties (which is

in any case similar to that already provided for in the 'six pack' under Article 8 of Regulation (EC) No 1173/2011 referred to above on the effective enforcement of budgetary surveillance in the euro area) and reaffirms the respect for the rights of defence of the Member State concerned by the proposed penalty.

It is therefore to be hoped that the Government will, during the negotiation phase, actively argue for the revision of the abovementioned Article 9, particularly paragraph 4(a), so that the detailed criteria for fining a Member State and the relevant procedures are set out in the text of the Regulation and not left to delegated acts.

Finally, the staff bid for 21 additional posts (12 posts and 9 external personnel) introduced by the Commission in order to validate the quality of the MIP-relevant data, and the resulting increase in administrative and staff costs in the EU budget, raises some concerns, not least in view of the policy of austerity and public-spending cuts imposed on Member States by the European Union.