



EUROPEAN COMMISSION

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Dear President,

The Commission would like to thank the Assembleia da República for its Opinion concerning the Commission's communication "Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth" {COM(2014) 130 final}.

The Commission appreciates the interest of the Assembleia da República in the stock-taking exercise of the Europe 2020 strategy. As highlighted since the outset of the Europe 2020 strategy, awareness and ownership by all relevant actors, among which national Parliaments, is a crucial prerequisite for the success of the strategy.

As regards the comments provided by the Committee for the budget, finance and public administration of the Assembleia da República, the Commission would like to underline that the Europe 2020 strategy draws on the lessons of the Lisbon strategy, strives to address its weaknesses but also acknowledges and maintains a number of strengths of the Lisbon strategy, notably the core objective of promoting growth and job creation, which remains a crucial challenge.

As regards fiscal policies, the Commission would like to recall that over the last years and at the height of the crisis, the Commission has constantly highlighted the importance of pursuing the mutually reinforcing objectives of fiscal consolidation and growth, as evidenced in the priorities of the Annual Growth Survey. Fiscal consolidation has never been an end in itself, but rather an imperative and a prerequisite for building solid foundations for growth and restoring confidence. As a result of the efforts made over the last years and the subsequent improvement in the economic outlook of European economies, the emphasis has gradually shifted from addressing the emergencies from the crisis to strengthening the ground for sustainable growth and employment in a post-crisis economy.

This was reflected in the content of the macroeconomic adjustment programme that Portugal successfully concluded in May 2014, which provided for comprehensive action on three fronts, namely fiscal consolidation, the stabilisation of the financial sector and ambitious

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structural reforms to revive growth, jobs and competitiveness. This is also confirmed by the wide-ranging coverage of the country-specific recommendations addressed last July to Portugal in the context of the European Semester.

Finally, although in many respects, the recovery of European economies remains weak and fragile, and despite the persistence of sizeable challenges in front of us, we cannot but recognise that our efforts have started to bear fruit, and that we have the right ingredients and objectives, and a more robust toolbox as a response to the crisis.

The Commission hopes that these comments address the points raised by the Assembleia da República in its Opinion and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*