A REVAMPED EUROPEAN SEMESTER

“The European Semester must be about setting our priorities together and about acting on them, in a European perspective, with a clear sense of our common interest. Steps have been taken to simplify and strengthen the European Semester: a greater focus on priorities, fewer documents and more time to discuss them, greater outreach at political level and engagement with national authorities. These steps must be pursued further (…)”

Five Presidents’ Report ‘Completing Europe’s Economic and Monetary Union’, 22 June 2015

WHY DO WE NEED A REVAMPED SEMESTER?

The European Semester has become an important vehicle for delivering reforms at national and EU level. The Juncker Commission has already streamlined the European Semester: it created more space for dialogue with Member States and provided more focus by concentrating the recommendations on key areas for action. In order to increase national ownership of reforms, economic policy coordination needs to be further strengthened, without changing the relevant legislation.

WHAT ARE THE MAIN NOVELTIES?

More focus on the euro area
To improve the integration of the euro area and national levels, the European Semester will be structured into two stages. Discussions and recommendations about the euro area take place first, ahead of country-specific discussions, so that common challenges can be fully reflected in country-specific actions.

Strengthen the social dimension
Increased emphasis is put on employment and social performance in the Macroeconomic Imbalances Procedure, and greater attention is given to social fairness in the context of new macroeconomic adjustment programmes, as shown by the social impact assessment produced by the Commission in the context of the recent support programme for Greece. The involvement of social partners and the convergence towards best practices are promoted.

More focus on economic convergence
The Commission will progressively suggest benchmarks and cross-examination exercises across policy or thematic areas, to foster a common understanding of challenges and policy responses and to increase reform implementation.

Increase democratic ownership
The dialogue with national stakeholders (governments, parliaments, social partners) and the European Parliament at key moments of the Semester process will be strengthened. Member States are encouraged to involve national Parliaments and social partners more closely, e.g. in the formulation of National Reform Programmes.
HOW WILL THE SEMESTER BE STRUCTURED?

European Semester: a partnership EU-Member States

European Commission
European Council/Member States
European Parliament
Member States
European Council

GLOSSARY:
AGS: Annual Growth Survey
AMR: Alert Mechanism Report
CSR: Country-Specific Recommendations

Winter Economic Forecasts
Spring Economic Forecasts
Annual Growth Survey and related documents
Member States adopt budgets

European Council adopts economic priorities based on AGS

Debate/resolution on the European Semester and the CSRs
Member States present their National Reform Programmes (economic policies) and Stability or Convergence Programmes (on budgetary policies)

Commission proposes country-specific recommendations for budgetary, economic and social policies
Council discusses the CSRs
European Council endorses final CSRs

Council adopts area specific recommendations and adopts draft budgetary conclusions on AGS+AMR

Member States present draft budgetary plans

Dialogue on the Annual Growth Survey

dialogue on the proposals for the CSRs
Council adopts conclusions on the CSRs

Member States adopt areaspecific recommendations

Commission fact-finding missions to Member States

Bilateral meetings with Member States

European Commission proposes area-specific recommendations for the euro area

Council discusses opinions on draft budgetary plans
Council adopts economic and social priorities
Council adopts conclusions on the CSRs

Member States present draft budgetary plans

European Council approves National Reform Programmes and Stability or Convergence Programmes

AGS
AMR
CSR

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