



European
Commission

Quality of Public Finances for Strong and Inclusive Growth

Marco Buti — European Commission



Policy Response Needed

- Use all policy tools – monetary, fiscal and structural
- Strengthen fiscal contribution – targeting both **growth** and **inclusiveness**

Why Quality of Public Finances (QPF)?

Allocation of resources



Potential growth

Redistribution



Inclusive growth

Stabilisation



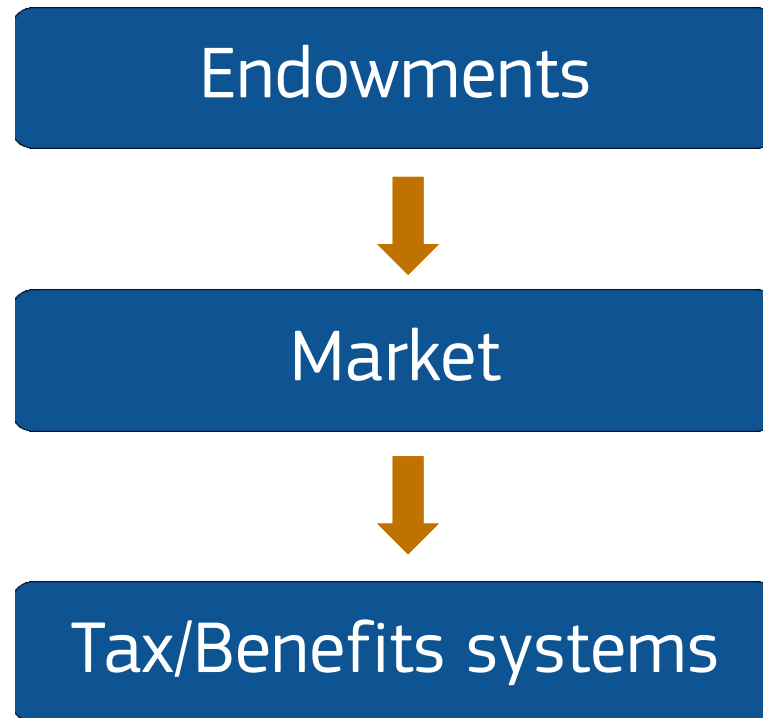
Business cycle

What is QPF?

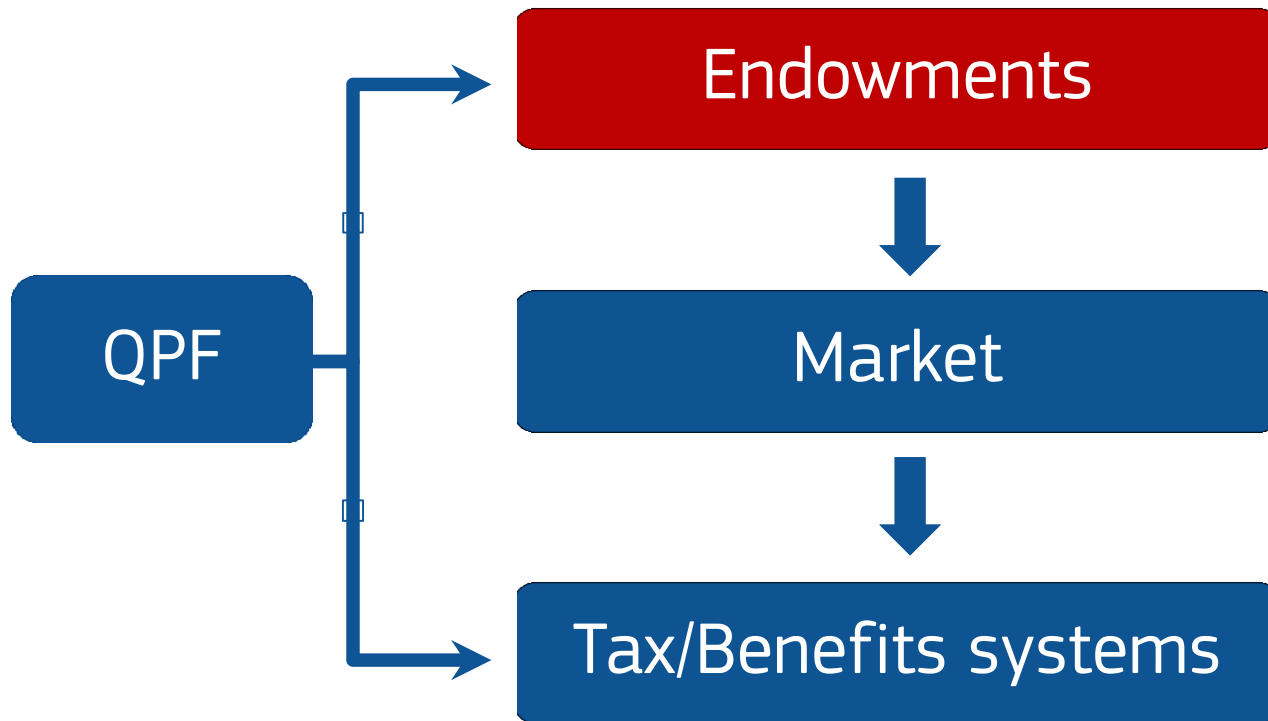
Composition

Efficiency

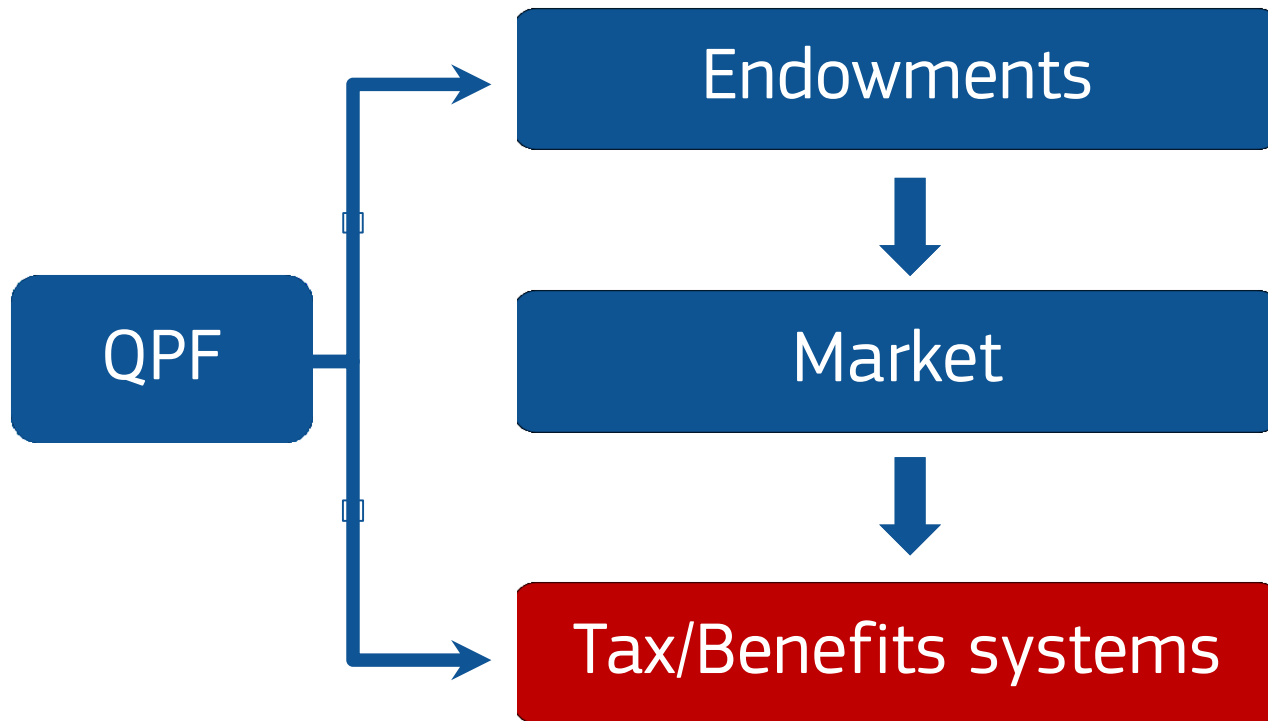
Fostering Growth, Inclusiveness and Stabilisation



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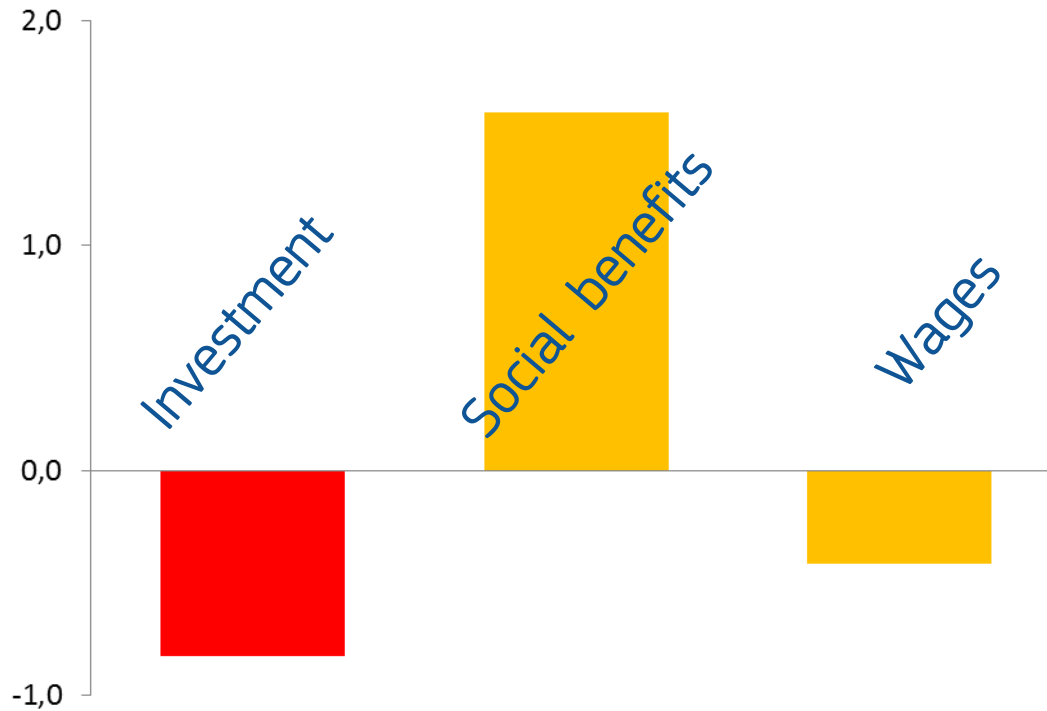


Fostering Growth, Inclusiveness and Stabilisation

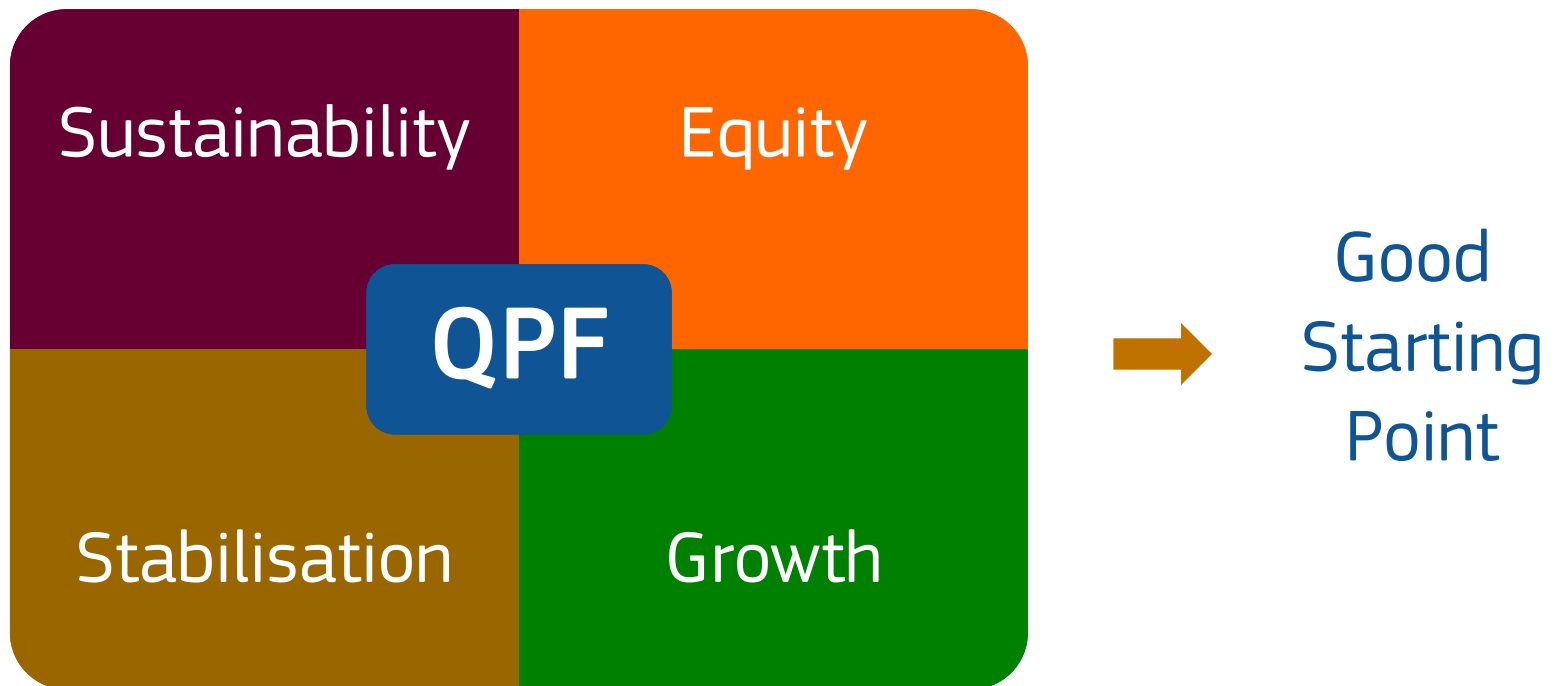


Trade-offs at play

Fiscal adjustment by expenditure in the euro area (2011-17)



QPF - essential principle for Resilience



Use Growth Strategies/Peer Reviews

Follow-up with actions

Consider QPF in a thematic peer-review