

Building blocks for deeper integration

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Putting in place the conditions for growth

The whole purpose of the European response to the economic crisis is to stimulate growth and jobs. Attention is understandably focussed on the stability of the euro, fiscal discipline, structural reforms and support for Europe's banks. At the same time, however, an essential part of the Commission's approach is to put in place the conditions for growth and job creation. We are frontloading growth so that we can take the necessary steps to also promote jobs.

At this European Council, the Commission is calling for the adoption of a "**Compact for Growth and Jobs**" that draws on many of the proposals presented by the Commission. The Compact should recall the importance of fiscal consolidation, structural reforms and targeted investment and provide the basis for action at both national and European levels.

In addition, the Commission will push for significant progress in three areas at this European Council:

1) Adoption of the Commission's [Country specific recommendation](#) for all 27 member states which introduce much tougher structural reforms to lead to competitiveness. These have been taken more seriously this year. Important that attempts to water down the recommendations are resisted.

2) A real push on targeted investment by

- Reinforcing the **capital base of the EIB** by 10 billion euros which through leveraging could lead to 60 billion of additional financing over the next three years. With other providers of finance this could stimulate up to 180 billion for investments in key sectors.
- **Structural funds**: agreement on the Commission proposed in February to re-allocate existing money from the structural funds to target growth enhancing measures.
- **Project bonds**: the pilot phase should immediately be launched, bringing additional investments of up to 4.5 billion euros for key transport, energy and broadband infrastructure.

3) The **Multiannual Financial framework**: the Commission has put on the table an ambitious but realistic proposal that tries as much as possible to focus on growth and investment. The EU budget is a driver for investment and growth.

Growth as a central pillar of the comprehensive response

The European Commission has systematically called for a twin-track strategy of the need for both sound public finances and growth enhancing measures. The Commission presented a [roadmap](#) in October 2011 outlining the comprehensive response that is needed to restore confidence in the Euro area and the European Union as a whole. This response is designed to break the vicious circle between doubts over the sustainability of sovereign debt, the stability of the banking system and the European Union's growth prospects.

The EU will only meet its ambitious Europe 2020 targets for sustainable and inclusive growth if urgent structural reforms are frontloaded in services and product markets to improve the business environment.

Frontloading stability and growth-enhancing policies

The Commission seeks to speed up stability and growth-enhancing policies in three ways.

- 1) **Implementing what has already been agreed at the European level**, including the Services Directive, the digital agenda and maximising trade agreements. These are measures which do not require significant additional investments or budgetary effort, but that have immediate and significant benefit for companies, citizens, and economy.
- 2) **Accelerating adoption of what is on the table**, including unitary patent protection, the energy savings directive and concluding on-going trade agreements.
- 3) **Fast-tracking the most urgent growth-boosting proposals**. These include the Single Market Act, venture capital proposals (particularly of benefit for SME's) and the Young Opportunities initiative to increase youth employment.


Unleashing the potential of the Single Market

The single market is the foundation on which the EU's shared prosperity is built. However, it is still far from delivering its full potential. The time has come to take decisive action to change that situation.

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In 2010, the Commission presented the [Single Market Act](#), which set out the measures we believe need to be put in place to sweep away the remaining obstacles to a true single market for the EU. This year we need to pull out all the stops to ensure that those measures are enacted.

Member States need to fully implement the Services Directive; an [analysis](#) shows that the EU's GDP would grow by an additional 2.6% over 10 years if all countries fully applied single market rules for service providers. Red tape would also be reduced by a third, leading to overall savings of around €40 billion.

The Commission has therefore proposed on 8th June 2012 a [package of measures](#)  to achieve these benefits and help consumers access services provided from other EU countries.

It is calling for EU countries to **fully apply the rules, especially in key sectors** such as business, construction, tourism and retail services. They should also **remove discriminatory requirements** prohibited by the law.

In parallel, the Commission will **step up enforcement** against countries that continue to breach the law and will work with governments to open up areas where further economic gains can be achieved.

Other actions include **encouraging insurance companies to provide adequate cover** for cross-border service providers and **further support for consumers** who want to buy services in another EU country.

As a next step, the Commission plans to issue an annual report card identifying country-specific actions needed to boost growth in the services market. The report will become part of the annual 'European semester', the six-month process conducted every year during which EU governments consult each other on their budgets and economic policies.

The European Commission will be pushing hard for EU Member States to remove the legal and administrative obstacles to professional services and retail, as well as to cross-border e-commerce, which restrict competition.

The Commission is also not shying away from making proposals in the area of taxation. These include proposals on VAT modernisation; a common approach to financial sector taxation; and introducing a

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common corporate tax base. In the longer term, a fully-fledged fiscal union is also to be considered and is to be discussed by heads of states and governments at the European Council on 28th and 29th June.

Europe 2020

At the centre of the EU's growth strategy is [Europe 2020](#). It builds on lessons learned from the earlier Lisbon strategy, recognising its strengths (the right goals of growth and job creation, 18 million new jobs created since 2000) but also addressing its weaknesses (poor implementation, with big differences between EU countries in the speed and depth of reform).

The Europe 2020 growth strategy focuses concretely on 7 [flagship initiatives](#). Within each initiative, both the EU and national authorities have to coordinate their efforts so that they are mutually reinforcing. Most of these initiatives have been presented by the Commission in 2010.

Links

[Commission Communication on Action for Stability, Growth and Jobs, 30/05/2012](#)

[President Barroso's presentation on growth at the Informal European Council, 30/01/2012](#)

[Speech by President Barroso: "A Roadmap to Stability and Growth"](#)

["European renewal" – State of the Union Address 2011 European Parliament Strasbourg, 28/09/2011](#)

[President Barroso's presentation on the Multiannual Financial framework, European Council 30/06/2011](#)

[Annual Growth Survey: advancing the EU's comprehensive response to the crisis \(pdf\)](#)

[More on the EU's single market for services](#)

[Taking stock of the single market](#)

More robust, integrated economic governance

Major steps forward have been taken over the past year to strengthen economic governance in the EU and in the euro area in particular. The aim is to promote financial stability, restore confidence and prevent future crises. A key development was the final agreement on 4 October 2011 on a legislative package that was first proposed by the Commission one year previously. The package gives real teeth to the European Semester, the annual cycle of economic and budgetary policy coordination between the EU Institutions and Member States which was also inaugurated in 2011. Taken together, these constitute the single most important overhaul of European economic governance since the launch of the euro in 1999. However, as President Barroso has made clear, we should not stop there. Further improvements to the governance of the euro area specifically will be needed.

Preventing and correcting excessive debt and deficits

The new legislation has come into force at the end of 2011. It focuses on strengthening budgetary surveillance on the one hand and preventing and addressing macroeconomic imbalances on the other.

The package establishes a stronger framework for responsible public finances. It includes an important reorientation of the Stability and Growth Pact (SGP) so that it gives equal weight to the importance of keeping both government debt and deficits at sustainable levels. For euro area Member States, the new legislation includes graduated financial sanctions (deposits that could become fines in the case of persistent non-compliance) of up to 0.2% of GDP for Member States that do not respect Council recommendations and decisions. These sanctions can be applied from an early stage and their enforcement will be strengthened by the use of 'reverse qualified majority' voting. This implies that if the Commission makes a recommendation or a proposal to the Council, it will be adopted unless a qualified majority of Member States vote against it.

Another important change is the establishment of a mechanism to penalise statistical misrepresentation of debt and deficit data by Member States, which may involve fines as high as 0.2% of GDP.

Preventing and correcting excessive macroeconomic imbalances

A key new element in the package is its provisions to prevent and correct macroeconomic imbalances such as property or other asset bubbles, or divergences in levels of competitiveness between countries. The Commission monitors a scoreboard of economic and financial indicators and carries out in-depth country analyses. Where necessary, it issues country-specific recommendations. If an imbalance is perceived to be of a serious nature, the Member State concerned is placed in a so-called "excessive imbalance procedure", which leads to the issuance of detailed policy recommendations and to regular reporting from the Member State to the ECOFIN Council (meeting of Economy and Finance Ministers). Persistent non-compliance with these recommendations can lead to the imposition of graduated sanctions culminating in fines of up to 0.1% of GDP.

Minimum requirements for national budgetary frameworks

Finally, a new Directive on national budgetary frameworks sets minimum requirements for national fiscal rules – covering accounting systems, statistics, forecasting practices, budgetary procedures and fiscal relations between national, regional and local authorities. More uniform standards across the EU will facilitate budgetary sustainability assessments by Member States' peers and by the EU institutions.


The European Semester


The legislative package is intricately linked to the new annual cycle of policy coordination operational since 2011, called the European Semester. This kicks off in January with the presentation by the Commission of its Annual Growth Survey, which sets out the priorities for the EU in terms of economic reform and fiscal consolidation. These priorities are then discussed and endorsed by the March European Council. In April, Member States submit their fiscal and economic reform programmes to the Commission and to their peers. The Commission then issues recommendations on these programmes, which are endorsed by the June European Council and formally adopted by the Council in July. Member States take this guidance into account when they draw up their budgets, which are debated in national


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parliaments in the usual way in the second half of the year – ensuring that this process includes a European dimension.

The package of economic and budgetary recommendations adopted in November 2011 also provided for a further strengthening of economic governance including two new proposals building on [measures](#) taken in the wake of the financial crisis to help control public debt.

One [proposal](#)  requires eurozone countries to present their draft budgets at the same time each year. The Commission could then issue an opinion on them, if necessary, and ask governments to revise them in line with their eurozone obligations.

The [second](#)  would enhance surveillance for eurozone countries being supported by financial assistance or that are threatened by serious financial instability.

A [discussion paper](#)  was also presented with the package, identifying options for launching "stability bonds" which would allow a mutualisation of risk among the Member States. Any move toward jointly issued bonds would only be feasible if the eurozone also takes measures to reinforce budgetary discipline.

The latest set of Country Specific Recommendations was adopted by the Commission on 30 May this year.

A number of key messages emerge from this second set of annual recommendations. On public finances, Member States are on the whole taking the necessary action to restore stability, but in several cases consolidation should be more growth-friendly. Unemployment, and in particular youth unemployment, is a severe problem and, although there is no quick fix, immediate action should be taken to increase productivity and better match skills and training to labour market needs.

Many Member States are undertaking major structural reforms, including of their labour markets. These are helping to boost competitiveness and to correct macro-economic imbalances within Europe. However, much greater action is still needed across the EU to unlock our growth potential, create opportunities for business development, and unleash the job-creating potential of the services and energy sectors and the digital economy.

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Finally, the Commission has indicated the main steps towards full economic and monetary union, including a banking union; an integrated financial supervision and a single deposit guarantee scheme. This process will need to take into account legal issues such as Treaty and constitutional change, while giving more democratic legitimacy and accountability to further integration moves.

The adoption of the recommendations marks the concluding phase of the European Semester of economic policy coordination, which was launched with the Commission's Annual Growth Survey on 23 November 2011 ([IP/11/1381](#), [MEMO/11/821](#)). They should be endorsed by the European Council on 28-29 June and formally adopted by the Council in July.


New Treaty

On 13th December 2011, 25 out of 27 governments agreed on a new intergovernmental treaty setting tighter budget rules showing their readiness to move ahead with further European integration. The new treaty requires governments to keep their general budgets balanced or in surplus. Those who exceed a deficit cap of 0.5% of GDP would have to bring their budgets back into balance under the oversight of the Commission and other EU Member States. Governments signed the treaty in March this year. It is seen as an important part of the EU's response to the financial crisis – and the eurozone's debt crisis.

Links

- [Statement by President Barroso on the final agreement on the economic governance package](#)
- [EU economic governance](#)
- [Link to Roadmap for Stability and Growth \(pdf\)](#)
- [President's address to the European Parliament on 12 October](#)
- [EUROPE 2020 website](#)

Reforming the budget, changing Europe

The Commission's [budget proposal](#)  invests today in growth for tomorrow. Taxpayers will get more for the same amount of money they spend. It will make it a truly European budget. A budget for investment and jobs.

Boosting growth across the European Union

A large part of the budget will be aimed at getting people into work and the economy growing. A new Connecting Europe Facility will finance the missing links in energy, transport and information technology.

There will be significant new money for education and vocational training, and for research and innovation to create the jobs and ideas of tomorrow. And money for less developed regions will go to jobs and growth, which will also benefit the whole of Europe.

Making Europe safer

Many of today's challenges ignore national borders. And it is much cheaper for Europe to respond with a co-ordinated policy rather than 27 separate ones.

Safe and healthy food will be at the heart of the changes to Europe's agriculture funding. 30% of direct payments to farmers will depend on farmers making the sector environmentally friendly.

Every euro spent will be a multi-purpose euro - helping to protect the environment, boost energy-efficiency and the fight against climate change, strengthen cohesion and promote social targets at the same time. EU funds can have a major leverage effect in many areas.

The new budget will also strengthen the management of Europe's external borders and put fresh money into tackling serious crime, terrorism and cybercrime.

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Making Europe count in the world

The advance of technology is making the world a smaller place. Shifting alliances and emerging new powers mean that Europe must do more to make its voice count.

The money invested in defending Europe's interests will be increased. Recent events in the Southern Mediterranean have once again shown the impact on Europe of dramatic events in its neighbourhood. Incentives will be provided for those countries that deliver political and economic reforms that strengthen democracy in the region.

Europe, which provides over half of development assistance worldwide, is determined to deliver on its commitment of spending 0.7% of GNI by 2015. The new budget maintains that pledge.

Getting a fairer and more transparent budget

Taxpayers need to be able to see how their money is being spent. The new budget should be simpler, more transparent and fairer. We propose that changes are made to the way the budget is financed, with new revenue streams being created to partially replace contributions based on the gross national income of each Member State. We believe that this will give families and governments a better deal.

- [More on the budget plan 2014-2020](#)
- [More on EU budget planning](#)
- [More on the EU budget](#)

A Banking Union, a Fiscal Union, a deeper Economic Union and a Political Union.

The Commission believes there has to be a clear longer term vision on the future of the EU's Economic and Monetary Union to give a sense of direction to the reforms and decisions necessary for the EU and its Member States to tackle current challenges.

Therefore, the Commission has been pushing for deeper economic integration as one of the remedies to the current crisis. This new step in European integration would complement our monetary union.

[A report on the deepening of the Economic and Monetary Union](#) has been submitted to the European Council by the President of the European Council, the President of the European Commission, the Chair of the Eurogroup and the President of the European Central Bank at the European Council (28-29 June).

Main elements of the banking union

The economic and financial crisis has demonstrated that the EU's banking system is vulnerable to shocks. A problem at one bank can spread quickly to other banks in other EU countries, affecting depositors, investment and the overall economy.

As a result, the EU and its member countries have been strengthening financial sector supervision. The [series of reforms](#) include the creation last year of 3 European supervisory bodies. These help coordinate the work of national regulators and ensure EU-level rules are applied consistently.

But more can be done to ensure financial stability. An important step would be the creation of a banking union with a single regulator, common rules and better policy coordination.

The concept of a banking union was put forward by President Barroso at the last informal European Council, which took place on 23 May.

Following discussion of the Report on the Deepening of the EMU at the European Council on 28-29 June, the Commission intends present legislative proposals in the autumn so that agreement on a

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banking union can be achieved quickly. In addition, the Commission is calling on the European Parliament and the Council to adopt the legislative proposals that are already on the table.

The main elements of a banking union would be:

- **EU-wide bank rules** covering new and on-going activities – these include common but flexible requirements on the amount of capital banks are required to hold
- **a single EU banking supervisor** with direct oversight of banks operating in multiple countries and of very large banks – would ensure rules and risk controls are effectively applied, among other powers
- **common rules for preventing bank failures** and for intervening when a bank gets in financial trouble – helping make taxpayer-funded bailouts unnecessary
- **a single deposit guarantee scheme** to protect depositors wherever they hold savings and investments in the EU – reinforcing confidence in the banking system

The Commission has already made proposals on some of the main elements needed for a banking union. These include [common measures](#) to help EU countries and national regulators respond quickly and effectively to a banking crisis.

The Commission plans to propose additional measures for an integrated EU system for dealing with bank failures. They include a common bank bailout fund and an independent body to oversee banks in crisis or that have failed.

Further steps: a fiscal union

The lessons of the past have taught us that further integration within the Euro area is indispensable to complete the economic and monetary union. A fiscal union is one of the main building blocks required to ensure smooth functioning of our common currency. This new architecture would provide a clear vision

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of the future of the EU's Economic and Monetary Union and guide the reforms and decisions necessary for the euro area and its Member States to tackle current challenges.

Since the beginning, the Commission has been committed to deepening monetary and economic integration of the European Union. In May 2008, the European Commission issued a communication marking 10 years of Economic and Monetary Union (see [IP/08/716](#)). It set out the need to improve the euro area's governance and coordination of economic policies. It recognised that this will involve both deepening and broadening economic surveillance arrangements to guide fiscal policy over the cycle and in the long term and, at the same time, address divergences in growth, inflation and competitiveness. Considerable progress on strengthening EU economic governance has been made since then.

Recent years have seen an unprecedented strengthening of coordination of economic and fiscal policies at EU level. This has been accompanied by an expression of solidarity to support financially vulnerable euro area countries through the building-up of the euro area's firepower in the form of the EFSF, and the ESM (which should be effective in July).

The renewed intensification of the sovereign debt crisis demonstrates the need to build further on these achievements, and map out the main steps towards full economic union, to complement and strengthen the existing economic and monetary union, as the European Commission has advocated and implemented in the past years. Building on the on-going reforms of economic governance at EU and national level ("[six pack](#)", "[fiscal compact](#)", "[Two-Pack](#)"). A fully-fledged economic union would require more decisions taken at European level when it comes to public expenditure, revenues and borrowing, and thereby a higher degree of political integration. This should obviously entail commensurate steps that ensure democratic legitimacy and accountability.

In November 2011, the Commission presented, together with the two-pack, a Green Paper on "the feasibility of introducing Stability Bonds" ([MEMO/11/820](#)) to structure the political debate in the EU on the rationale, pre-conditions and possible options of financing public debt through European Stability Bonds.

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The report on deepening of EMU, makes clear that in the medium perspective, the issuance of common debt could be explored as an element of fiscal union and subject to progress on fiscal integration. Steps towards joint and several sovereign liabilities could be considered as long as a robust framework for budgetary discipline and competitiveness is in place. The process would be criteria- based and phased based on a series of options that have been proposed.

Independently from the attribution of autonomous revenue-raising capacity to the EU, progress can be made in the field of [effective tax co-ordination](#). Here the most promising area for rapid advances seems to be tax bases, in particular the coordination of corporate taxes.

Links

[More on EU bank rules and supervision](#)

[Agenda – European Council meeting 28-29 June.](#)

Commission actions on the economy from the start of the crisis (September 2008 – October 2011)

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1. Supporting economic recovery

15 October 2008, Commission proposal for a Regulation on cross-border payments in euro

29 October 2008, Extraordinary meeting of the European Commission, Communication "From financial crisis to recovery: A European framework for action"

26 November 2008, Commission adopts the European Economic Recovery Plan

8 December 2008, Commission adopts guidance on bank recapitalisation in current financial crisis to boost credit flows to real economy

11-12 December 2008, European Council, Heads of State and Government endorse the European Economic Recovery Plan proposed by the Commission

28 January 2009, Commission proposes € 5 billion new investment in energy and Internet broadband infrastructure in 2009-2010 as part of the European Economic Recovery Plan (agreement at the European Council on 20 March 2009)

24 February 2009, Commission adopts a package of decisions aimed at giving Member States more flexibility in their use of the structural funds

25 February 2009, Communication "Responding to the crisis in the European automotive industry" (in the context of the European Economic Recovery Plan)

1 March 2009, Informal meeting of EU Heads of State or Government, Leaders agree to take action for building confidence and promoting financial stability, getting the real economy back on track, both in EU and at global level

4 March 2009, Communication "Driving European Recovery" (Commission contribution to the March 2009 European Council)

19-20 March 2009, European Council, leaders review the considerable fiscal stimulus injected in EU economy and committed to do all that is necessary to restore growth, endorsement of Commission initiative to fund energy projects and internet connection for rural communities

29 April 2009, Commission adopts Simplification Package to accelerate state aid decisions

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7 May 2009, EU Employment Summit, agreement on ways to tackle rising unemployment

3 June 2009, Communication "EU Shared Commitment for Employment" proposing €19 billion of planned European Social Fund expenditure to support people hit by the economic crisis (Commission contribution to the June 2009 European Council)

2 July 2009, Commission proposes a new microfinance facility providing microcredit to small businesses and to people who have lost their jobs and want to start their own small businesses (initial budget €100 mln)

22 July 2009, Commission proposes new measures aimed at simplifying management rules for the Cohesion Policy

17 September 2009, Community Guidelines for the application of state aid rules in relation to rapid deployment of broadband networks

9 December 2009, Commission approves over €1.5bn for 15 Carbon Capture Storage and off-shore wind projects to support European economic recovery

4 March 2010, Selection of further 43 major energy projects under European Energy Programme for Recovery (EEPR)

10 June 2011, Commission proposes extension of the temporary crisis-related derogation that allows European Globalisation Fund (EGF) to be used for workers made redundant as a result of the current financial and economic crisis

20 July 2011, President Barroso launches a Task Force to provide technical assistance to Greece to deliver of the EU/IMF adjustment programme and accelerate the absorption of EU funds

10 November 2011, Autumn forecast 2011-13: Growth at a standstill

15 November 2011, The first quarterly report of the Task Force for Greece: technical assistance provided to the Greek authorities to sustain economic activity by ensuring the best use of cohesion policy programmes; strengthening tax administration and sound public finance management; and implementing the structural reforms needed to improve the prospects for sustainable growth and job-creation.

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16 November 2011, Commission adopts 2012 Work Programme "Delivering European Renewal", it describes how the Commission will build on the ambitious set of proposals to respond to the economic crisis.

22 November 2011, Statement by President Barroso following the meeting with Italian Prime Minister Mario Monti, the President stressed his confidence that Italy was taking the right steps to tackle the challenges that it faces.

4 December 2011, Statement of Vice-President Olli Rehn on the adoption by the Italian Government on extraordinary fiscal and economic measures, Commissioner Rehn welcomed the adoption of a far-reaching package of fiscal measures and economic reforms.

13 December 2011, Speech by President Barroso at the EP debate on the conclusions of the December European Council, the President underlined that the European Union needed to give a comprehensive response to the current crisis, making a firm commitment to the Euro and to the irreversibility of the euro.

15 December 2011, New analysis shows employment and social policies key to Europe's job-rich recovery

30 December 2011, statement by Vice-President Olli Rehn on the approval by the Spanish Government of extraordinary fiscal measures and the fiscal slippage in Spain, Mr Rehn welcomed the approved package of budgetary policy measures.

6 January 2012, December 2011: Economic Sentiment declines moderately in both the EU and the euro area

17 January 2012, [European Commission launches accelerated infringement proceedings against Hungary over the independence of its central bank and data protection authorities as well as over measures affecting the judiciary](#)

19 January 2012, Statement by the EC, ECB, and IMF on the Review Mission to Ireland, the team's assessment: programme is on track, although challenges remain and continued steadfast policy implementation will be vital.

6 February 2012, Statement by the WB, EC and IMF on the Review of Romania's Economic Program (the ECB wasn't involved), the staff teams were pleased to see that the authorities have made good progress in implementing program policies in a very difficult external environment. Continued prudent macroeconomic policies and accelerated structural reforms are important.

7 February 2012, Statement of President Barroso following his meeting with Jacques Delors, Brussels Press Point, the President stressed the importance of the community method and also talked about Greece and the Commission's commitment to keep Greece in the euro.

14 February 2012, [Commission's first Alert Mechanism Report: tackling macroeconomic imbalances in the EU](#)

28 February 2012, Statement by the EC, ECB, and IMF on the Third Review Mission to Portugal, staff teams state that the programme is on track, but challenges remain. The large fiscal correction in 2011 and the strong 2012 budget have bolstered the credibility of Portugal's front-loaded fiscal consolidation strategy.

28 February 2012, Speech by President Barroso: "Unity in difference, strength in convergence", President Barroso stressed the importance of the Semester in the EU's response to the financial and economic crisis and how the Semester can help to prevent future crises.

28 February 2012, Speech by President Barroso: "European Governance and the Community Method" (held at a Conference on the Community Method), the President underlines that the community approach is necessary in the management of economic interdependence and that it also played a crucial role throughout the economic crisis.

29 February 2012, Statement by President Barroso following his meeting with Mr Lucas Papademos, Greek Prime Minister, President Barroso mentions the efforts which have been made on both sides and expresses the confidence that he has in Greece.

2 March 2012, Spanish Prime minister Rajoy announces that Spain would have to abandon its deficit-reduction targets and set himself a target for 2012 of a deficit to 5.8 percent of GDP.

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6 March 2012, Speech by Vice President Rehn at the Colloquium on the European Response to the crisis, Vice President Rehn names the different actions which the Commission uses to weather the crisis: reinforcing economic governance, consolidating public finances and pursuing policies to promote sustainable growth and job creation.

14 March 2012, International agencies release data on G20 GDP: GDP growth slows to +0,7% in the fourth quarter of 2011

30 March 2012, Comments by Vice-President Olli Rehn at the Informal Ecofin Council: "Europe's crisis response has recently made substantial progress in all its fronts, including financial stability, fiscal consolidation and growth-boosting structural reforms."

18 April 2012, Commission presents its 'Employment Package': new measures and identifies key opportunities for EU job-rich recovery

27 April 2012, joint statement by President Barroso and Italian Prime Minister Monti: "Fiscal consolidation should proceed alongside targeted investments"

5 May 2012, Vice President Rehn speaks on restoring growth in Europe through confidence, reforms and investment at the Institute of European Studies in Brussels: "fiscal consolidation, while necessary, must be done in a growth-friendly way"

17 May 2012, Speech of President Barroso at the General assembly of the UN: State of the World Economy and Finance and its impact on development in 2012

19 May 2012, Joint statement by European Commission President Barroso and European Council President Van Rompuy after the G8 working session on the global economy: "growth-boosting measures and efforts to put public finances on a sounder footing go hand-in-hand. Opposing the two is a false debate"

23 May 2012, European Commission Statement by President Barroso following the Informal European Council dinner: "The choice between stability and growth should not be seen exactly as a choice – we need both."

2. Promoting growth / Europe 2020

3 March 2010, Commission presents the "Europe 2020 Strategy" – EU's mid-term growth strategy

19 May 2010, Communication "Digital Agenda for Europe" (Europe 2020 Flagship Initiative)

15 September 2010, Communication "Youth on the Move" (Europe 2020 Flagship Initiative)

6 October 2010, Communication "Innovation Union" (Europe 2020 Flagship Initiative)

28 October 2010, Communication "An Industrial Policy for the Globalisation Era" (Europe 2020 Flagship Initiative)

23 November 2010, Communication "An Agenda for new skills and jobs" (Europe 2020 Flagship Initiative)

16 December 2010, Communication "European platform against poverty" (Europe 2020 Flagship Initiative)

26 January 2011, Communication "A resource-efficient Europe"(Europe 2020 Flagship Initiative)

6 October 2011, Sources of Growth Conference

13 April 2011, Communication on the Single Market Act

12 October 2011, Communication "Roadmap for Stability and Growth", proposals for speeding up stability and growth-enhancing policies –especially those that extend the benefits of the Single Market and targeted investment at the European Union level, including through project bonds.

28 November 2011, Statement by President Barroso at the joint press point with President Obama and President Van Rompuy, President Barroso stressed the importance of the transatlantic relationship and said that they were determined to work together for the stability of the global economy.

29 November 2011, Commissioner Hahn proposes extra support for small companies through structural funds

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30 November 2011, Eurogroup and ECOFIN, Council approves the EU's general budget for 2012, opens the 2012 "European Semester" with the Commission's annual growth survey and adopts a recommendation on the nomination of Benoît Coeuré to the executive board of the ECB.

30 November 2011, Speech by President Barroso in the meeting with EU Heads of Delegation: "A Europe for all weathers", the President stressed that "overcoming this crisis is our first priority" and Europe's best assets were its attractive mode, the strong currency and the size of the internal market.

6 January 2012, December 2011: Economic Sentiment declines moderately in both the EU and the euro area

11 January 2012, Commission publishes EDP report on Belgium, Cyprus, Hungary, Malta and Poland → Belgium, Cyprus, Malta and Poland took effective action to correct deficit while Hungary's measures are insufficient

17 January 2012, Special Meeting of the European Bank Co-ordination "Vienna" Initiative, Public Sector officials met to enhance the co-ordination of national policies that could impact Europe's emerging economies.

30 January 2012, Statement of the members of the European Council on growth and jobs, extract: "*Over recent months, there have been tentative signs of economic stabilisation but financial market tensions continue to dampen economic activity and uncertainty remains high. Governments are undertaking strong efforts to correct budgetary imbalances on a sustainable basis but further efforts are needed to promote growth and employment. There are no quick fixes. Our action must be determined, persistent and broad-based. We must do more to get Europe out of the crisis.*"

30 January 2012, Remarks by President Barroso ahead of Monday's informal European Council, four topics were raised by the President: growth and smart fiscal consolidation, youth unemployment and support for SMEs.

1 February 2012, Speech by President Barroso to the European Parliament following the Informal European Council meeting of 30th January, the President said that "The European Council was a first but a significant step of Heads of State and Government in

recognising that it is not enough to focus on financial stability and economic discipline alone."

2 February 2012, European Stability Mechanism (ESM) treaty signed

21 February 2012, EuroPlus Pact – the way forward – the Member States participating in the Euro Plus Pact concluded that they were committed to undertake reforms to foster competitiveness and employment and to contribute further to sustainability of public finances and reinforce financial stability.

23 February 2012, [Interim forecast: euro area in mild recession with signs of stabilisation](#)

1 March 2012, Statement on Greece by the President of the Eurogroup, Jean-Claude Juncker – Eurogroup takes note of progress by Greece

1 March 2012, Statement by President Barroso at the final press conference of the Spring European Council, the President says that there is now less tension related to the euro and that now the focus should be the need for structural reform for growth.

2 March 2012, Statement by President Barroso at the signature ceremony of the Treaty on Stability, Mr Barroso said that "the Treaty is an important part in our global strategy to restore stability in European public finances."

6 March 2012, Letter from President Barroso to Prime Minister Papademos, in the letter the President proposes follow-up actions further to their meeting of 29 February on measures to support jobs and growth in Europe.

13 March 2012, Speech by President Barroso on the outcome of the Spring European Council (in the European Parliament), the President said that progress has been achieved on Greece, financial stability, and job-creating growth through the Europe 2020 agenda.

18 April 2012, Statement by President Barroso at the European Parliament Plenary Debate: "Economic Crisis in the Euro Zone". The President stated that "our Europe 2020 strategy has a breadth of vision and a depth of substance which goes far beyond any one narrow perspective or single course of action. It also has the flexibility to adapt and to throw up new ideas and indeed be the basis for a new European initiative for growth."

18 April 2012, Remarks by Vice-President Rehn on the European Investment Bank's contribution to growth and jobs in the EU

8 May 2012, President Barroso delivers European Commission message in joint press conference with Vice-President Rehn: "Seizing the moment to boost growth: 9th May message from the European Commission"

9 May 2012, Speech by President Barroso: *the European way forward: leadership and ownership*, at the State of the Union Conference at the European University Institute in Florence: "the crisis has emphasised that growth and stability go hand in hand."

15 May 2012, Statement by Commissioner Lewandowski on the debate in the ECOFIN Council on the EU's draft budget for 2013: "A promising start of the negotiations on the 2013 EU budget"

22 May 2012, Speech by Vice-President Olli Rehn at the European Parliament: "Europe's action plan for growth, employment and investment"

30 May 2012, in the margin of the CSR adoption, President Barroso presents the next steps for stability, growth and jobs at a press conference

4 June 2012, Joint statement of Vice-President Rehn and French Economy and Finance minister Pierre Moscovici: "we both want growth, jobs and fiscal consolidation."

3. Addressing shortcomings in the financial sector

3A. Financial repair

15 September 2008, Failure of Lehman Brothers

13 October 2008, Communication on the application of state aid rules to measures taken in relation to financial institutions in the context of the current global financial crisis

15 October 2008, Commission proposal for the Revision of the Directive on Deposit Guarantee Schemes

Building blocks for deeper integration

15-16 October 2008, European Council, leaders affirm that they are determined to take coordinated and thorough action to restore the smooth running of the financial system, express support to the Commission actions

8 December 2008, Commission adopts guidance on bank recapitalisation in current financial crisis to boost credit flows to real economy

17 December 2008, Communication on temporary framework for state aid measures to support access to finance in the current financial and economic crisis

25 February 2009, Communication on the Treatment of Impaired Assets in the Community banking sector

1 March 2009, Informal meeting of EU Heads of State or Government, Leaders agree to take action for building confidence and promoting financial stability, getting the real economy back on track, both in EU and at global level

8 April 2009, Commission publishes a special edition of the State Aid Scoreboard, announcing that Member States have set up guarantee umbrellas, risk shields and recapitalisation measures for the financial sector with an overall volume of up to €3,000 billion

29 April 2009, Commission adopts Simplification Package to accelerate state aid decisions

23 July 2009, Communication "The return to viability and the assessment of restructuring measures in the financial sector in the current crisis under the state aid rules"

7 August 2009, Review of national aid state aid schemes introduced during the financial crisis

18 May 2010, DG Competition staff working document – The application of State aid rules to government guarantee schemes covering bank debt to be issued after 30 June 2010

23 July 2010, Publication of the results of bank stress test exercise 2010

1 December 2010, Communication on a temporary Union framework for state aid measures to support access to finance in the current financial and economic crisis

1 December 2010, Communication on the application, after 1 January 2011, of State aid rules to support measures in favour of banks in the context of the financial crisis

15 July 2011, Publication of the results of the 2011 bank stress tests exercise

Building blocks for deeper integration

1 December 2011, State aid: Commission extends crisis rules for banks

27 February 2012, EU issues € 3 billion 20 year bond for Ireland

28 February 2012, Eligibility of Greek bonds used as collateral in Eurosystem monetary policy operations

7 March 2012, [Hungary: Commission continues accelerated infringement procedure on independence of the data protection supervisor and measures affecting the judiciary and asks additional information on central bank's independence.](#)

8 March 2012, Statement by Mario Draghi, President of the ECB, Mr Draghi said that over recent months, a wide range of additional non-standard monetary policy measures has been implemented by the Eurosystem. These measures, including in particular two three-year longer-term refinancing operations, were decided upon against the background of exceptional circumstances in the last quarter of 2011.

13 May 2012, Statement on Spanish banking reform by Vice President Rehn: "Spain is taking decisive action in addressing remaining vulnerabilities within the sector"

14 May 2012, European Parliament Press Release on Bank capital rules: reform to boost risk resilience and lending to the real economy

9 June 2012, Eurogroup statement: "the Eurogroup supports the efforts of the Spanish authorities to resolutely address the restructuring of its financial sector and it welcomes their intention to seek financial assistance from euro area Member States to this effect"

3B. Financial regulation

1 October 2008, Commission proposal for the revision of the Capital Requirements Directive (CRD II)

8 October 2008, President Barroso establishes a high-level group to decide how to build more effective European and global supervision for global financial institutions, Jacques de Larosière, appointed as chairman

13 October 2008, Commission proposal for a directive on the taking up, pursuit and prudential supervision of the business of electronic money institutions

15 October 2008, Commission proposal for the Revision of the Directive on Deposit Guarantee Schemes

15 October 2008, Amendment to International Accounting Standard 39 and IFRS 7 "Reclassification of Financial Assets" in the Accounting Regulatory Committee following Commission proposal

12 November 2008, Commission proposal for a Regulation on Credit Rating Agencies

23 January 2009, Commission proposals for enhancing supervisory convergence and cooperation and proposals in the field of financial reporting and statutory audit Decision establishing a Community programme to support activities

25 February 2009, Report by the High-level group on financial supervision in the EU chaired by Jacques de Larosière. The report recommends creation of European System of Financial Supervision

29 April 2009, Proposal for a Directive on Alternative Investment Fund Managers

29 April 2009, Proposal for a Directive on Alternative Investment Fund Managers (AIFM)

29 April 2009, Commission adopts Recommendations on remuneration in the financial services sector

27 May 2009, Communication "European Financial Supervision", Commission proposes creation of the European Systemic Risk Board and the European System of Financial Supervisors

18 – 19 June 2009, European Council, leaders support Commission proposals for the creation of new system for financial regulation and supervision

3 July 2009, Communication on ensuring efficient, safe and sound derivatives markets

Building blocks for deeper integration

13 July 2009, Commission proposal for further revision of the Capital Requirements Directive (CRD 3)

23 September 2009, Financial supervision package - Commission proposals for Regulations to establish a European Systemic Risk Board and the European System of Financial Supervisors

24 September 2009, Proposal for a review of the Prospectus Directive

20 October 2009, Communication "EU framework for crisis management in the banking sector" (sets out future policy actions to increase transparency of the derivatives market, reduce counterparty and operational risk in trading and enhance market integrity and oversight)

26 October 2009, Commission proposal for an "Omnibus" Directive amending financial services sectoral legislation to ensure effective operation of the European System of Financial Supervisors (ESFS)

26 May 2010, Communication on options for bank resolution funds

2 June 2010, Communication "Regulating financial services for sustainable growth"

2 June 2010, Commission proposal for the revision of Credit Rating Agencies Regulation (to provide for direct supervision)

12 July 2010, Commission proposal for the revision of the Directive on Deposit Guarantee Schemes

12 July 2010, Commission proposal for the revision of the Directive on Investor Compensation Schemes

16 August 2010, Commission proposal for the revision of the Financial Conglomerates Directive

15 September 2010, Commission proposal to improve transparency and stability in Derivatives Market – Central Counterpart Clearing (CCP)

15 September 2010, Commission proposal for a Regulation on short selling and certain aspects of Credit Default Swaps

22 September 2010, Final agreement on the financial supervision reform

7 October 2010, Communication on Taxation of the Financial Sector

20 October 2010, Communication on an EU Framework on cross-border crisis management in the banking sector

Building blocks for deeper integration

December 2010, Basel 3 agreement signed

7 December 2010, Entry into force of a new EU regulatory framework applicable to the credit rating sector (further consultation process on possible future legislation completed on 7 January 2011)

16 December 2010, Commission proposal for a Regulation establishing technical requirements for credit transfers and direct debits in euro (SEPA)

1 January 2011, European System of Financial Supervision becomes fully operational (4 Supervisory authorities – European Systemic Risk Board and The European Supervisory Authorities for Banking, Securities and Markets, and Insurance)

19 January 2011, Second "Omnibus" Directive on financial supervision amending several financial services Directives

31 March 2011, Commission proposal for a Directive on credit agreements relating to residential property

20 July 2011, Commission proposal to amend the Capital Requirements Directives (CRD IV), implementing Basel 3 agreement

28 September 2011, Commission proposal for a Directive on the introduction of Financial Transaction Tax (FTT)

12 October 2011, Communication "Roadmap to Stability and Growth", proposals for a fully coordinated approach to strengthen Europe's banks based on a reassessment by the supervising authorities using a temporary stricter criteria

20 October 2011, Review of the Market Abuse Directive

20 October 2011, Review of the Markets in Financial Instruments Directive (MiFID)

25 October 2011, Amendment to the Credit Rating Agencies Regulation

9 November 2011, Review of the Transparency Directive

9 November 2011, Review of the Accounting Directive

15 November 2011 (tbc), Legislative initiative on a framework for Bank recovery and resolution

10 January 2012, Speech by Vice-President Olli Rehn on Eurobonds: Stability and Growth for the Euro Area, Mr Rehn stressed that stability bonds can provide substantial

benefits, even for countries with currently high credit ratings, although serious economic, legal, and technical challenges remain.

13 January 2012, Statement by Vice-President Olli Rehn on the decision by S&P concerning the rating of several euro area Member States, Mr Rehn regretted the decision by the ratings agency, describing its decisions as inconsistent.

17 January 2012, [European Commission launches accelerated infringement proceedings against Hungary over the independence of its central bank and data protection authorities as well as over measures affecting the judiciary](#)

19 March 2012, Commission publishes Green Paper on shadow banking

2 May 2012, ECOFIN Council examines proposals to amend the EU's rules on capital requirements for banks and investment firms (the CRD 4 package), with a view to starting negotiations with the European Parliament aimed at adoption of the texts at first reading

13 June 2012, Speech of President Barroso speech on the Joint European Parliament Debate on the forthcoming European Council meeting and the Multiannual financial framework, on (inter alia) the creation of a banking union

4. Providing financial assistance to member states in need

4A. Euro area member states

11 January 2010, Commission report on Greek government deficit and debt statistics

2 February 2010, President Barroso issues statement on the Greek government deficit for 2009

3 February 2010, Commission adopts a series of recommendations for Greece to correct the excessive budget deficit, improve competitiveness through structural reforms and provide reliable statistics

Building blocks for deeper integration

11 February 2010, Informal Meeting of Heads of State and Government agreed that "Euro area Member states will take determined and coordinated action, if needed, to safeguard financial stability in the euro area as a whole".

17 March 2010, Meeting of President Barroso with Prime Minister Papandreou. Statements made to the press

19 March 2010, President Barroso issues a statement urging EU Member States to agree on a financial assistance package for Greece

25 - 26 March 2010, European Council (Euro area leaders agree to create joint financial safety net, with IMF, to help Greece and to try to restore confidence in euro. Under the accord, Athens will receive coordinated bilateral loans from other countries that use euro and money from the IMF, but only if all states agree to bailout and if it has exhausted its borrowing options.)

28 April 2010, Statement by President Barroso on Greece

2 May 2010, Agreement for granting financial assistance to Greece (€110 bn in the form of bilateral loans)

5 May 2010, Statement by President Barroso to the European Parliament prior to the meeting of the Heads of State and Government of the Euro Area on 7 May 2010

7 May 2010, Meeting of the Heads of State and Government of the euro area together with President Van Rompuy and President Barroso. Leaders agree that consolidation of public finances is a priority and that the Commission will propose a European Stabilisation Mechanism to preserve financial stability in Europe.

9 May 2010, Extraordinary meeting of the European Commission approves a proposal for a Council regulation on the basis of article 122 TFUE establishing a European Stabilisation Mechanism (including the European Financial Stabilisation Mechanism (EFSM) and the European Financial Stability Facility (EFSF)). On the basis of Commission proposal, the ECOFIN Council agrees after 10 hours of negotiations a package of measures amounting to €500 bn.

10 May 2010, Extraordinary meeting of the ECOFIN Council, EFSF and EFSM are put in place

14 – 17 June 2010, Joint EC/ECB/IMF mission to Greece

26 July – 5 August 2010, First EC/IMF/ECB review mission to Greece under the Economic Adjustment Programme

Building blocks for deeper integration

- 4 August 2010**, The European Financial Stability Facility (EFSF) becomes fully operational
- 14 – 23 November 2010**, Second EC/ECB/IMF Review mission to Greece
- 28 November 2010**, Agreement on granting financial assistance to Ireland
- 11 March 2011**, Euro area summit, decision for the alignment of the maturities of the loans for Greece and for Ireland, reduction of the interest rates for the loans for Greece, agreement on the Euro plus Pact
- 17 March 2011**, Commission issues a €3.4 billion bond under the European Financial Stabilisation Mechanism (EFSM) to assist Ireland
- 24 - 25 March 2011**, European Council, decision on the increase of lending capacity of the EFSF, agreement on the European Stability Mechanism, decision on the Treaty change (Article 136 TFEU); Endorsement of the Euro Plus Pact
- 5 – 15 April 2011**, First EC/ECB/IMF Review Mission to Ireland
- 3 May - 3 June 2011**, Fourth EC/ECB/IMF Review mission to Greece
- 17 May 2011**, Agreement on granting financial assistance to Portugal
- 24 May 2011**, Commission issues a €4.75 billion bond with a 10 year maturity to fund disbursements of the assistance packages to Ireland and Portugal
- 25 May 2011**, Commission issues a €4.75 billion bond with a 5 year maturity to fund a further disbursement of the assistance package to Portugal
- 24 June 2011**, Agreement between the Troika and Greek authorities on measures to close the fiscal gap for the years 2011-2014
- 30 June 2011**, Joint statement by President Barroso and President Van Rompuy following the vote in the Greek Parliament on the implementing measures for the revised economic programme
- 6 - 14 July 2011**, Second EC/ECB/IMF Review Mission to Ireland
- 20 July 2011**, President Barroso launches a Task Force to provide technical assistance to Greece to deliver of the EU/IMF adjustment programme and accelerate the absorption of EU funds
- 21 July 2011**, Euro area summit, leaders agree to support a new programme for Greece together with the IMF and voluntary contribution of the private sector, welcome the Commission's decision to create a Task Force for Greece

Building blocks for deeper integration

1 – 12 August 2011, First EC/ECB/IMF Review Mission to Portugal

1 August 2011, Commission proposes increase in EU co-financing rates for EU funds available for Greece, Ireland and Portugal

3 August 2011, Statement by President Barroso on the euro area sovereign bond markets

4 August 2011, Letter from President Barroso to the Heads of State or Government of the euro area, urging swift implementation of the 21 July agreement

August 2011 – ongoing, Fifth Review EC/ECB/IMF mission to Greece

1 September 2011, The Task Force for Greece starts its work

12-15 September 2011, First visit of the Task Force to Athens, meetings with

14 September 2011, Commission proposes reduced interest rate margins and extended maturities for loans granted by the European Union (EU) to Ireland and Portugal

14 September 2011, Commission issues a €5 billion bond with a 10 year maturity to fund disbursements of the assistance packages to Portugal

22 September 2011, Commission issues a €4 billion bond with a 15 year maturity in support of Ireland and Portugal

7 October 2011, Commission creates a support structure to help Portugal to target and use better Community funds in support of its financial assistance programme

12 October 2011, Communication "Roadmap to Stability and Growth", proposals for a decisive action on Greece including disbursement of the sixth tranche, a second adjustment programme, and continued support from the Commission Task Force. The Commission also proposes completing of the Euro area intervention – including making the decisions agreed on 21 July 2011 operational, maximising the effectiveness of the EFSF, accelerating the launch of the European Stability Mechanism to mid 2012 and the provision of sufficient liquidity by the European Central Bank.

October 2011, Third EC/ECB/IMF Review Mission to Ireland

16 November 2011, Statement by the EC, ECB and IMF on the Second Review Mission to Portugal, the mission has reached staff-level agreement on economic and financial

policies to meet the program's objectives. Strict implementation of these policies will be needed.

21 November 2011, Statement by President Barroso following his meeting with Lucas Papademos, Prime Minister of Greece, Press point, President Barroso mentions two essential objectives: a second programme of financial assistance to Greece and the voluntary bond exchange with private sector investors.

1 December 2011, Commission welcomes the top up of co-financing rates for Europe's struggling economies (4 months after Commission's proposal)

14 December 2011, Commission publishes positive Autumn 2011 report on the Economic Adjustment Programme for Ireland

21 December 2011, European Commission report concludes progress on fiscal, economic and structural reforms in Portugal

22 December 2011, European Commission report concludes balance-of-payments assistance programme remains on track in Romania

9 January 2012, EU successfully issues long-term bond with 30 year maturity, funding loans of € 3 billion for Ireland and Portugal

19 January 2012, Statement by the EC, ECB, and IMF on the Review Mission to Ireland, the team's assessment: programme is on track, although challenges remain and continued steadfast policy implementation will be vital.

27 January 2012, Cohesion Payments Increase as Member States Tap EU Funding for Growth

22 February 2012, [Commission proposes to suspend €495 million of Cohesion Fund for Hungary for 2013 for failure to address excessive deficit](#)

27 February 2012, Invitation from President Barroso to Prime Minister Papademos to meet in Brussels

Building blocks for deeper integration

27 February 2012, EU issues € 3 billion 20 year bond for Ireland

28 February 2012, Statement by the EC, ECB, and IMF on the Third Review Mission to Portugal, staff teams state that the programme is on track, but challenges remain. The large fiscal correction in 2011 and the strong 2012 budget have bolstered the credibility of Portugal's front-loaded fiscal consolidation strategy.

28 February 2012, Eligibility of Greek bonds used as collateral in Eurosystem monetary policy operations

1 March 2012, Statement on Greece by the President of the Eurogroup, Jean-Claude Juncker – Eurogroup takes note of progress by Greece

1 March 2012, Ireland: Commission gives green light for €5.8bn payment following successful completion of fifth review of financial assistance programme

8 March 2012, Eligibility of bonds issued or guaranteed by the Greek government in Eurosystem credit operations

9 March 2012, Statement by the Eurogroup President, Jean-Claude Juncker, on the significant progress achieved in the preparation of the second Greek adjustment programme.

12 March 2012, Eurogroup approves second package for Greece

12 March 2012, Eurogroup issues terms of reference on Spain, The group welcomed the commitment of the Spanish government to meet the 2013 deadline for the correction of the excessive deficit, bringing the deficit below 3% of GDP.

15 March 2012, Task Force for Greece second quarterly report: Supporting growth and jobs in Greece

16 March 2012, Greece – Commission recommends that the first disbursement of the second programme should take place as soon as possible

Building blocks for deeper integration

27 March 2012, Speech by Vice-President Rehn on "the Second Programme of Economic Adjustment for Greece: Greek commitment, European solidarity" at the European Parliament

30 March 2012, Statement by the Eurogroup President, Jean-Claude Juncker on the announcement of the Greek authorities that they have extended until 4 April the offer period for bonds governed by foreign law and eligible for the exchange.

17 April 2012, EU places € 1.8 billion 26-year bond for Portugal

18 April 2012, Commission issues Communication on growth and jobs for Greece

19 April 2012, The European Parliament approves the Commission's proposal enabling the use of cohesion policy allocations still available to back-up guarantees and loans by financial institutions such as the European Investment Bank (EIB), the so-called "risk-sharing instruments".

26 April 2012, EU 2.7 billion Euro 10-year bond for Portugal strongly oversubscribed

26 April 2012, Report by the EC, ECB, and IMF on the Review Mission to Ireland: Ireland's policy implementation remains on track

27 April 2012, Statement by the IMF and EC Missions in Romania, announcing that they will continue their technical work with the Romanian authorities and provide them with the missions' preliminary findings and policy recommendations.

9 May 2012, Statement by the WB, EC, and the IMF on the Review of Romania's Economic Programme: "the programme remains broadly on track"

15 May 2012, Remarks by European Commission Vice-President Rehn at the Eurogroup press conference: "the EU-IMF programme is a very substantial expression of solidarity and support for Greece by the other 16 euro area Member States"

16 May 2012, Statement by President Barroso on the European economy and Greece: "We want Greece to remain a part of our European family, of the European Union and of the euro."

23 May 2012, Statement by President Barroso following his meeting with Mr Panagiotis Pikrammenos, interim Prime Minister of Greece

24 May 2012, Euro area on Greece: "We want Greece to remain in the euro area while respecting its commitments"

4 July 2012, Statement by the EC, ECB, and IMF on the Fourth Review Mission to Portugal: " the programme remains on track amidst continued challenges, the authorities are broadly implementing the reform policies as planned, and the external adjustment is proceeding faster than expected"

21 June 2012, statement by President Barroso on the formation of a new government in Greece: "Its broad parliamentary support sends a clear signal of Greece's determination to honour its commitments and stay in the euro"

4B. Non-euro area member states

31 October 2008, Commission proposes Balance of Payments (BoP) assistance for Hungary (€5.5 bn)

31 October 2008, Commission proposes to raise the overall ceiling foreseen in the Regulation establishing a facility providing medium-term financial assistance to European Union countries' BoPs to €25 billion

8 January 2009, Commission proposes Balance of Payments (BoP) assistance for Latvia (€7.5 bn)

8 April 2009, Commission proposes an increase to €50 billion in the overall ceiling of a loan facility to help non-euro area countries in the European Union cope with Balance of Payments difficulties

21 April 2009, Commission proposals for Balance of Payments (BoP) assistance to Romania (€5 bn)

1 August 2011, Commission proposes increase in EU co-financing rates for EU funds available for Romania, Latvia and Hungary

21 November 2011, Statement of the European Commission on the request by Hungary of possible financial assistance

1 December 2011, Commission welcomes the top up of co-financing rates for Europe's struggling economies (4 months after Commission's proposal)

27 January 2012, Cohesion Payments Increase as Member States Tap EU Funding for Growth

7 March 2012, Hungary - Commission asks for additional information on central bank's independence

7 March 2012, [Hungary: Commission continues accelerated infringement procedure on independence of the data protection supervisor and measures affecting the judiciary and asks additional information on central bank's independence.](#)

13 March 2012, European Council suspends € 495.2 million in cohesion fund commitments to Hungary under Excessive Deficit Procedure

5. Strengthening economic governance

September 2008, Greece is put under surveillance by the Commission and by the Eurogroup after the fall of Lehman Brothers. No other euro area country is subjected to this. This is because the Commission was aware that Greece was in fragile state.

12 October 2008, "Emergency" euro area summit in Paris, leaders reach an agreement on further steps to restore confidence in and proper functioning of the financial system

18 February 2009, Commission recommendation for opening Excessive Deficit Procedures against France, Latvia, Ireland, Greece and Spain

24 June 2009, Commission recommendation for opening Excessive Deficit Procedure against Poland, Romania, Lithuania, Malta

7 October 2009, Commission recommends opening of Excessive Deficit Procedure against Austria, Belgium, Czech Republic, Germany, Italy, The Netherlands, Portugal, Slovenia, Slovakia

11 November 2009, Commission assesses the action taken by Greece in response to the Council recommendation of 27 April 2009, and concludes that it was inadequate. The Council decides accordingly on 2 December 2009.

2 December 2009 - Greece is put under art. 126.9 Excessive Deficit Procedure (EDP), it is assessed as not complying with the recommendation to put an end to the Excessive Deficit Procedure by 2010.

2 December 2009, Council opens Excessive Deficit Procedures against Austria, Belgium, Czech Republic, Germany, Italy, The Netherlands, Portugal, Slovenia, Slovakia, following Commission recommendation

3 February 2010, European Commission adopts for the first time an integrated surveillance mechanism with an opinion on the Greek Stability programme, a recommendation under the Excessive Deficit Procedure and a recommendation under Article 121 (4) of the Treaty. In its assessment the Commission states that it fully supports Greece in its efforts to redress the difficult economic and fiscal situation, endorses the Greek Stability Programme and the critical target of 4% deficit reduction in 2010, but at the same time points to some risks to the targets and the medium-term fiscal adjustment

11 February 2010, Extraordinary informal meeting of the Heads of State or Government of the EU. Leaders' statement on Greece and commitment to take determined and coordinated action to safeguard financial stability in the euro area as a whole

17 February 2010, The Commission adopts proposal resubmitting its 2004 proposal to strengthen the powers of the Eurostat to verify Member States statistics

7 May 2010, Meeting of the Heads of State and Government of the euro area together with President Van Rompuy and President Barroso. Leaders agree that consolidation of public finances is a priority and that the Commission will propose a European Stabilisation Mechanism to preserve financial stability in Europe, they finalise procedures to implement the €110 billion support package for Greece

12 May 2010, Communication "Mastering economic interdependence" Commission proposes reinforced economic governance in the EU -strengthening the functioning of the Stability and Growth Pact and extend surveillance to macro-economic imbalances, "European Semester" for economic policy coordination, etc

Building blocks for deeper integration

- 12 May 2010**, Commission recommends opening of Excessive Deficit Procedures against Bulgaria, Denmark, Cyprus
- 21 May 2010**, First meeting of the Task Force on economic governance
- 7 June 2010**, Second meeting of the Task Force on economic governance
- 30 June 2010**, Communication "Enhancing economic policy coordination for stability, growth and jobs" (including establishment of a European Semester)
- 16 September 2010**, European Council, leaders took stock of progress achieved in the Task Force on economic governance
- 29 September 2010**, Commission tables 6 legislative proposals to strengthen the Stability and Growth Pact and prevent and correct macroeconomic imbalances
- 18 October 2010**, Last meeting of the Task Force on economic governance
- 28 – 29 October 2010**, European Council, leaders endorse the Report of Task Force on economic governance call on EP and Council to reach agreement by summer 2011 on the Commission's legislative proposals agreed on a launch of consultations for a limited treaty change required for the establishment of the European Stability Mechanism (ESM).
- 12 January 2011**, Commission presents Annual Growth Survey, launch of first European Semester
- 4 February 2011**, Extraordinary European Council, leaders called for a final agreement on the Commission legislative proposals on economic governance by the end of June, and signalled their readiness to achieve "a new quality of economic policy coordination" in the euro area to improve competitiveness
- 11 March 2011**, Euro area summit, decision for the alignment of the maturities of the loans for Greece and for Ireland, reduction of the interest rates for the loans for Greece, agreement on the Euro plus Pact
- 24 - 25 March 2011**, European Council, decision on the increase of lending capacity of the EFSF, agreement on the European Stability Mechanism, adoption of the decision on the Treaty change (Article 136 TFEU); Endorsement of the Euro Plus Pact
- 7 June 2011**, Commission presents Country-Specific Recommendations
- 23 – 24 June**, European Council, endorsement of the Country-Specific Recommendations

Building blocks for deeper integration

21 July 2011, Meeting of the Heads of State or Government of the euro area; agreement on a new financial support programme for Greece estimated to €109 billion, including a voluntary contribution from the private sector, extension of maturities, and lowering of lending rates; decision that revised EFSF lending rates and maturities will also be applied to Portugal and Ireland. Leaders agree on improving the effectiveness of the current European Financial Stability Mechanism (EFSF) and of the future European Stability Mechanism (ESM) and called for the rapid finalisation of the legislative package on the strengthening of the Stability and Growth Pact and the EU's new macroeconomic surveillance.

16 August 2011, Statement by President Barroso and Commissioner Rehn on the proposals by President Sarkozy and Chancellor Merkel for strengthening the governance of the euro area

22 September 2011, Statement by President Barroso following the political agreement on the economic governance package (vote in EP – 28 September; endorsement by the ECOFIN Council 4 October)

12 October 2011, Communication "Roadmap to Stability and Growth", the Commission proposes to integrate the European Stability Mechanism and the Stability & Growth Pact into the same fully integrated governance system to increase coherence and efficiency thus giving new powers to the Commission and the Council to intervene in the preparation of national budgets and their execution

8 November 2011, ECOFIN Council, the Ministers of Finance adopted conclusions on the design of the scoreboard for the surveillance of macroeconomic imbalances, six legislative proposals aimed at strengthening economic governance in the EU and conclusions on climate change in preparation for a UN conference in Durban.

23 November 2011, Commission proposes two new Regulations to further strengthen budgetary surveillance in the euro area, the first regulation will apply to all countries in the euro zone, the second sets out explicit rules for enhanced surveillance (both should enter into force in mid-December).

23 November 2011, European Commission Green Paper on the feasibility of introducing Stability Bonds (+ opening of consultation)

Building blocks for deeper integration

9 December 2011, European Council concludes discussion on the new fiscal compact, the goal of the compact is to strengthen fiscal discipline and introduce more automatic sanctions and stricter surveillance.

12 December 2011, EU economic governance "Six Pack" enters into force, the reinforced Stability and Growth Pact (SGP) enters into force with a new set of rules for economic and fiscal surveillance.

10 January 2012, Speech by Vice-President Olli Rehn on Eurobonds: Stability and Growth for the Euro Area, Mr Rehn stressed that stability bonds can provide substantial benefits, even for countries with currently high credit ratings, although serious economic, legal, and technical challenges remain.

25 January 2012, ECOFIN Council in Brussels, Conclusions: update on Council's position on a draft regulation on over-the-counter derivatives and adoption of a decision deeming action taken by Hungary to correct its excessive deficit to be insufficient.

30 January 2012, Press remarks by President Van Rompuy following the informal meeting of members of the European Council, "*The Treaty is all about more responsibility and better surveillance. Every country that signs it commits to bringing in a "debt brake" or "golden rule" into its own legislation, and will do so at constitutional or equivalent level. New voting rules and an automatic correction mechanism will enforce compliance more effectively.*"

2 February 2012, European Stability Mechanism (ESM) treaty signed

21 February 2012, EuroPlus Pact – the way forward – the Member States participating in the Euro Plus Pact concluded that they were committed to undertake reforms to foster competitiveness and employment and to contribute further to sustainability of public finances and reinforce financial stability.

21 February 2012, Conclusions of 3148th ECOFIN Council meeting, the Council agreed a general approach on two draft regulations aimed at further improving economic governance in the euro area. Furthermore they adopted a regulation harmonising rules for short selling and credit default swaps.

Building blocks for deeper integration

2 March 2012, Fiscal compact signed: Strengthened fiscal discipline and convergence in the euro area

2 March 2012, Conclusions of the European Council, the implementation of the EU's economic strategy was discussed and the five priorities for 2012 set out in the Commission's Annual Growth Survey were endorsed. The participating Member States also signed the Treaty on stability, coordination and governance in the EMU.

6 March 2012, Speech by Vice President Rehn at the Colloquium on the European Response to the crisis, Vice President Rehn names the different actions which the Commission uses to weather the crisis: reinforcing economic governance, consolidating public finances and pursuing policies to promote sustainable growth and job creation.

13 March 2012, ECOFIN Council Conclusions, adoption of conclusions on the Commission's alert mechanism report for the early detection of macroeconomic imbalances and the Council also adopted decision adjusting fiscal consolidation measures required of Greece under the EU's excessive deficit procedure.

30 March 2012, Statement of the Eurogroup on the need for swift and vigorous measures that had been implemented to safeguard the stability and integrity of the Economic and Monetary Union, together with further qualitative moves towards a genuine Fiscal Stability Union.

15 May 2012, European Parliament Economic and Monetary Affairs Committee vote on texts on Fiscal Policy: "Growth dimension and control of new Commission powers needed"

30 May 2012, Commission adopts package of Country-Specific Recommendations

30 May 2012, Commission recommends abrogation of Excessive Deficit Procedure for Bulgaria and Germany, lifting of Cohesion Fund suspension for Hungary

30 May 2012, Following in-depth reviews, Commission calls on 12 Member States (Belgium, Bulgaria, Cyprus, Denmark, Finland, France, Italy, Hungary, Slovenia, Spain, Sweden and the United Kingdom) to tackle macroeconomic imbalances.

13 June 2012, Speech of President Barroso speech on the Joint European Parliament Debate on the forthcoming European Council meeting and the Multiannual financial framework, on (inter alia) the use of the EFSM, the EFSF and its successor, the ESM to strengthen the potential to intervene in support of financial stability, and the creation of a banking union

18 June 2012, Speech of Vice-President Rehn at the Goldman Sachs 16th Annual European Financial Services Conference on Rebalancing Europe

21 June 2012, Joint statement of President Barroso and EIB President Hoyer on reinforcing the capital base of EIB

6. Leading the crisis response at the G20

18 October 2008, President Barroso and President Sarkozy visit President Bush in Washington to launch the G20 leaders' process

7 November 2008, Informal meeting of the EU Heads of State or Government, agreement on a language for G20 Summit in Washington and on a number of specific principles and approaches to be proposed at the Summit to pave the way for reform of the international financial system

15-16 November 2008, G20 Summit in Washington, agreement on common principles for the reform of financial markets and on action plan for reform of financial markets for adoption of rapid measures by 31 March 2009

19-20 March 2009, European Council, leaders define the EU position for the G20 Summit in London, they agree to lead international action to promote swift return to sustainable growth; strengthen ability to prevent crisis and better regulate financial markets

2 April 2009, G20 Summit in London, EU proposals, especially on strengthening global financial system, are reflected in the Summit conclusions.

17 September 2009, Informal European Council, leaders agree on a language for the G20 Summit in Pittsburgh, EU leaders defined their position for the G20 summit in Pittsburgh, agreeing on a list of 28 concrete demands (including coordinated growth-enhancing measures, formulation of exit strategies; strengthened global macroeconomic

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coordination, a global financial market reform, global macro-prudential supervision and binding remuneration rules for bonuses for bank managers.

24 - 25 September 2009, G20 Summit in Pittsburgh, G-20 Leaders agreed to continue developing cooperative and coordinated exit strategies with policy measures to be implemented depending on varied national needs and launched a framework for strong, sustainable and balanced growth.

29 – 30 October 2009, European Council, leaders confirm their commitment to the G20 process and agreed that the EU has to be in the G20 in a coordinated, structured and coherent manner (something President Barroso has been calling for)

20 May 2010, Letter from President Barroso to the European Council President and to the Heads of State or Government calling on the EU to press for setting out of general principles for exit strategies taking into consideration different national or regional circumstances, and for making progress towards agreeing country recommendations in the context of the Framework for Growth

17 June 2010, European Council, leaders agree on the EU position at the G20 Summit in Toronto based on the letter by President Barroso on 20 May

26-27 June 2010, G20 Summit in Toronto, Summit's result reflects widespread convergence around Europe's approach (mainly based on the letter by President Barroso on 20 May)

5 November 2010, Joint letter of President Barroso and European Council President recognising implementation of the framework for strong, stable and sustainable growth as one of the key issues to be discussed at the Seoul G20 Summit,

11-12 November, G20 Summit in Seoul, final declaration of the Summit reflected the proposals made by President Barroso and President Van Rompuy in their joint letter from 5 November 2010

7 October 2011, Joint letter by President Barroso and President Van Rompuy to the members of the European Council, The two Presidents call for a "renewed collective G20 spirit" and stress that the Cannes Summit should restore confidence, support sustainable growth and job creation, and maintain financial stability

23 October 2011, European Council will set the EU position for the forthcoming G20 Summit in Cannes

3-4 November 2011, G20 Summit in Cannes

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14 March 2012, International agencies release data on G20 GDP: GDP growth slows to +0,7% in the fourth quarter of 2011

18-19 June 2012, G20 Summit in Los Cabos, Mexico. At the press conference ahead of the summit, President Barroso conveyed messages on results of Greek elections, deepening the economic and monetary union as well as on his expectations for key items on the G20 agenda.

19 June 2012, joint statement of President Barroso and President Van Rompuy on the results of the 2012 G20: President Barroso welcomed the results of the G20 2012 Summit: recognition of the EU's efforts to deal with the crisis and support for further integration as well as conclusions on IMF, trade and sustainable development.