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Til underretning for Folketingets Europaudvalg vedlægges Finansministeriets redegørelse for rådsmøde (økonomi- og finansministre) den 25. november 2003.

P. B. Olsen



1. december 2003

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Referat af rådsmødet (ECOFIN) den 25. november  
2003

**Dagsordenspunkt: Direktiv om oplysningsforpligtelser**

Rådet nåede til politisk enighed om Kommissionens forslag til direktiv om oplysningsforpligtelser.

Direktivet fastlægger minimumskrav til de oplysninger, som skal offentliggøres af et selskab, der udsteder værdipapirer optaget til notering på et reguleret marked, og medfører bl.a. øgede krav til offentliggørelse af oplysninger i forhold til de eksisterende bestemmelser på området.

For så vidt angår spørgsmålet om obligatorisk offentliggørelse af kvartalsrapporter for børsnoterede selskaber enedes man om en model, hvorefter det er frivilligt for medlemslandene at indføre en sådan offentliggørelsespligt. Der indføres endvidere pligt for selskaberne til at offentliggøre kvalitative oplysninger inden for en nærmere angivet periode i midten af første regnskabshalvår og i midten af andet regnskabshalvår. Det fastslås dog samtidig, at de selskaber, der som følge af national lovgivning, de regulerede markeders regler eller på eget initiativ offentliggør kvartalsrapporter, ikke forpligtes til at offentliggøre sådanne kvalitative oplysninger.

**Dagsordenspunkt: Handlingsplanen for risikovillig kapital**

Rådet tog Kommissionens præsentation af fremskridtsrapporten vedrørende risikovillig kapital til efterretning og vedtog rådskonklusioner herom (vedlagt).

I rådskonklusionerne udtrykkes tilslutning til fremskridtsrapportens konklusioner. Endvidere opfordres FSC (Financial Services Committee) til at se nærmere på Kommissionens fremskridtsrapport med henblik på at rådgive ECOFIN i 2004. Kommissionen opfordres til inden for rammerne af de årlige synteserapporter til Det Europæiske Råds forårstopmøde at rapportere om status i udviklingen af det europæiske marked for risikovillig kapital.

**Dagsordenspunkt: Skatte-/momsspørgsmål: Adfærdskodeksen for erhvervsbeskatning**

Rådet tog Adfærdskodeksgruppens rapport vedrørende adfærdskodeksen for erhvervsbeskatning til efterretning.

Rapporten viser, at EU-landene har afviklet eller er ved at afvikle deres skadelige skatteordninger i overensstemmelse med de planer, som ECOFIN har godkendt ("roll-back"), og at landene ikke har indført nye skadelige ordninger ("stand-still").

**Dagsordenspunkt: Skatte-/momsspørgsmål: Direktiv om nedsat moms**

Rådet udskød beslutningen vedrørende forslaget til ændret direktiv om nedsat moms, herunder bilag H, og enedes om at opfordre Kommissionen til at fremsætte forslag om at forlænge forsøgsordningen vedrørende arbejdskraftintensive tjenesteydelser, der udløber den 31. december 2003, i yderligere to år.

**Dagsordenspunkt: Strukturelle indikatorer**

Der var en drøftelse af Kommissionens forslag til liste af overordnede strukturelle indikatorer.

Rådet opfordrede Coreper til at fortsætte drøftelsen med henblik på at nå til enighed på et kommende rådsmøde.

**Dagsordenspunkt: Forberedelse af DER: Vækstinitiativet**

På baggrund af Kommissionens meddelelse, herunder udkastet til et "quick-start" program, og Den Europæiske Investeringsbank (EIB)'s rapport vedtog Rådet sin endelige rapport om vækstinitiativet.

I rapporten opfordres Det Europæiske Råd til at godkende en række konkrete initiativer. Det foreslås bl.a., at EIB forbedrer støtten til finansiering af transeuropæiske net (TEN) ved at etablere en TEN-lånefacilitet på op til 50 mia. euro samt forbedrer viften af finansielle instrumenter, der kan virke som løftestang for privat finansiering til TEN, gennem lån af længere varighed op til 35 år og garantier for projekter i deres konstruktionsfase.

Rådet opfordrer til, at Kommissionens forslag om en TEN-transport garantimekanisme inden for rammerne af EU's budget, hvis formål skal være at fungere som en mekanisme til dækning af manglende indtjening eller deling af risiko, undersøges yderligere.

Endvidere foreslås det, at EIB stiller op til 40 mia. euro til rådighed i perioden 2003-2010 til forskning, udvikling og innovation indenfor EIB's Innovation 2010 Initiativ (i2i), udvikler nye finansieringsmuligheder indenfor EIB med henblik på at fremme nye teknologier samt øger venturekapital fra den Europæiske Investeringsfond (EIF) til innovative små og mellemstore virksomheder gennem tildeling af ekstra 500 mio. euro fra EIB's overskud.

Det fastslås, at udgifter for EU's budget (gennem struktur-fondene, TEN-forordningen, og det sjette-rammeprogram for forskning og udvikling) må holdes indenfor de eksisterende rammer. For så vidt angår national medfinansiering af konkrete projekter understreges det i rapporten, at finansieringen bør tilvejebringes gennem omprioritering af nationale offentlige udgifter, og at evt. forøgede udgifter til fysisk kapital og human kapital bør overholde stabilitets- og vækstpagten. Herudover fremhæves væsentligheden af privat finansiering til projekter indenfor de prioriterede områder.

ECOFIN's rapport vil blive fremsendt til Det Europæiske Råd den 12.-13. december 2003.

**Dagsordenspunkt: Forberedelse af DER: TEN finansforordningen**

Rådet nåede til politisk enighed om ændring af de generelle regler for Fællesskabets finansielle støtte inden for transeuropæiske netværk (TEN).

Den nye finansforordning vil bl.a. medføre, at den maksimale sats for EU-medfinansiering af visse nærmere definerede grænseoverskridende prioritetsprojekter med stor fælleseuropæisk interesse indenfor transportnetværk samt prioritetsprojekter indenfor energinetværk m.m. hæves fra 10 pct. til 20 pct. Den samlede finansielle ramme for perioden 2000-2006 vil ikke blive ændret.

**Dagsordenspunkt: Forberedelse af DER: Rapport om revision af EIB's eksterne lånemandat og garantifond samt rapport om revision af EIB's middelhavs-investeringsfacilitet**

Rådet vedtog en rapport om revision af EIB's eksterne lånemandat og garantifond samt en rapport om revision af EIB's middelhavs-investeringsfacilitet (FEMIP).

Endvidere vedtog Rådet konklusioner (vedlagt), hvorefter FEMIP forstærkes med øget støtte til den private sektor. Dette indebærer bl.a. introduktion af et særligt udlånsvindue under FEMIP med direkte långivning til private virksomheder, styrket dialog om strukturreformprocessen, bl.a. ved omdannelse af 'Policy Dialogue and Co-ordination Committee' (PDCC) til en finansministerkomité med et årligt møde, samt etablering af en 'trust fond' på 20-40 mio. euro med henblik på øget støtte indenfor fire prioriterede sektorer (vand, transport, elektricitet og humankapital).

De efter den kommende EU-udvidelse frigjorte midler fra EIB's eksterne lånemandat allokeres til långivning til middelhavsområdet, samtidig med at der yderligere allokeres 500 mio. euro til långivning til Rusland og WNIS (Western Newly Independent States - Ukraine, Hviderusland og

Moldavien) som en udvidelse af det eksisterende lånemandat for Rusland under Den Nordlige Dimension.

Spørgsmålet om en eventuel EIB-datterbank for middelhavspartnerlandene samt om en eventuel inklusion af Rusland og WNIS i EIB's generelle lånemandat for 2007-2013 vil blive vurderet i december 2006.

De to ECOFIN-rapporter ventes at blive fremsendt til Det Europæiske Råd den 12.-13. december 2003.

**Dagsordenspunkt:            Stabilitets- og vækstpagten: Proceduren for  
   uforholdsmæssigt store underskud vedr.  
   Frankrig og Tyskland**

Kommissionens forslag til dels rådsbeslutninger om, at Frankrig og Tyskland hhv. ikke har iværksat virkningsfulde foranstaltninger hhv. har iværksat utilstrækkelige foranstaltninger (jf. traktatens artikel 104/8), dels rådsbeslutninger om at rette pålæg til Frankrig og Tyskland om at træffe foranstaltninger for at rette op på situationen med et uforholdsmæssigt stort budgetunderskud (jf. traktatens artikel 104/9) blev ikke vedtaget. Danmark deltog som ikke-euroland alene i afstemningen om førstnævnte rådsbeslutninger, hvor Danmark stemte for Kommissionens forslag.

Rådet vedtog med kvalificeret flertal - efter samme stemmeregler som jf. traktatens artikel 104/9, hvorfor Danmark som ikke-euroland ikke deltog i afstemningen - rådskonklusioner vedrørende proceduren for uforholdsmæssigt store underskud vedr. Frankrig (vedlagt) og rådskonklusioner vedrørende proceduren for uforholdsmæssigt store underskud vedr. Tyskland (vedlagt).

I rådskonklusionerne hilses det velkommen, at Frankrig og Tyskland agter at gennemføre alle nødvendige tiltag med henblik på at sikre, at underskuddet på de offentlige finanser bringes ned under 3 pct. af BNP senest i 2005. Endvidere henstilles det til Frankrig og Tyskland,

- at der opnås en årlig reduktion af det strukturelle underskud i 2004 på hhv. 0,8 pct. hhv. 0,6 pct. af BNP,
- at der opnås en reduktion af det strukturelle underskud i 2005 på mindst hhv. 0,6 pct. hhv. 0,5 pct. af BNP eller mere for at sikre, at det nominelle underskud bringes ned under 3 pct. af BNP i 2005,
- at indtægter, der viser sig højere end forventet nu, anvendes til reduktion af underskuddet, og at reduktionen af det strukturelle underskud accelereres, hvis opsvinget viser sig stærkere end forventet nu,
- at der sikres en fortsat konsolidering efter 2005 gennem en reduktion af det strukturelle underskud på mindst 0,5 pct. af BNP per år eller mere for at opfylde den mellemlistede målsætning om budgetter tæt på balance eller i overskud og for at bringe gælden til at falde,

- at der udarbejdes en strategi i overensstemmelse med disse forpligtelser på grundlag af realistiske makroøkonomiske forudsætninger i Stabilitetsprogrammerne, der skal opdateres i december 2003,
- at der i forbindelse med gennemførelsen af foranstaltninger til opfyldelse af disse forpligtelser tages højde for Rådets anbefalinger indenfor rammerne af de overordnede økonomisk-politiske retningslinier, samt
- at situationen med uforholdsmæssigt store underskud bringes til ophør hurtigst muligt og senest i 2005.

Rådet erklærer sig parat til at træffe beslutning om at rette pålæg til Frankrig og Tyskland om at træffe foranstaltninger for at rette op på situationen med et uforholdsmæssigt stort budgetunderskud (jf. traktatens artikel 104/9), hvis Frankrig og Tyskland ikke handler med henblik på opfyldelse af forpligtelserne i de vedtagne rådskonklusioner.

Endvidere vedtog Rådet med enstemmighed en erklæring (vedlagt), der bl.a. bekræfter behovet for budgetkonsolidering og holdbare offentlige finanser samt stabilitets- og vækstpagten som den centrale ramme for forbedring af den budgetmæssige situation i EU, styrkelse af overvågningen af medlemslandenes finanspolitik og koordinationen heraf, herunder sikring af ligebehandling af medlemslandene og Kommissionens rolle heri.

Kommissionen afgav en ensidig erklæring, hvori det bl.a. beklages, at stabilitets- og vækstpagtens regler ikke er blevet fulgt, hvorfor Kommissionen forbeholder sig ret til at undersøge implikationerne af rådskonklusionerne samt træffe beslutning om mulige efterfølgende foranstaltninger.

### **A-punkter**

Rådet vedtog uden drøftelse bl.a. beslutning vedrørende yderligere makrofinansiel bistand til Serbien og Montenegro, beslutning om tilladelse til Irland om fravigelse af 6. momsdirektivs artikel 21 om harmonisering af medlemslandenes omsætningsafgifter, politisk enighed om direktiv om moms-gennemførelsesbestemmelser og procedure for vedtagelse af undtagelser samt politisk enighed om moder-/datterselskabsdirektivet.

### **ECOFIN-frokost**

Der var i forbindelse med rådsmødet (ECOFIN) den 25. november 2003 på formandskabets foranledning en uformel frokostdrøftelse af bl.a. udvalgte emner vedrørende EU's budget og ØMU-bestemmelserne i konventets traktatudkast samt direktiv om investeringsservice.

For så vidt angår udvalgte emner vedrørende EU's budget og ØMU-bestemmelserne i konventets traktatudkast blev der ikke truffet konklusioner fra drøftelsen. Fra dansk side kritiserede man, at det af den italienske finansminister Tremonti fremsendte papir gav indtryk af at være sendt på ECOFIN-Rådets vegne, og at papiret ikke gengav de forbehold, som en række lande, herunder Danmark, har taget. Man gentog sit forbehold om,

at man fra dansk side fortsat ikke har lagt sig fast på en endelig holdning vedrørende regeringskonferencen, og at dette afventer gennemførelsen af den nationale beslutningsproces, der involverer parlamentet. Endvidere udtalte man sig imod fremsendelse af papirer - uformelle såvel som formelle - på vegne af ECOFIN-ministrene.

For så vidt angår direktiv om investeringsservice godkendte Rådet på en enkelt medlemslands foranledning en erklæring (vedlagt), hvori Europa-Parlamentet opfordres til at behandle forslaget med henblik på, at direktivet kan vedtages før april 2004 inden udløbet af tidsfristen for gennemførelsen af handlingsplanen for finansielle tjenesteydelser. Erklæringen vil blive optaget i referatet af et kommende rådsmøde, hvor Rådet som apunkt vedtager sin fælles holdning vedrørende direktiv om investeringsservice.

## BILAG

### Rådskonklusioner vedr. Handlingsplanen for risikovillig kapital

"The Council discussed the Commission Communication on implementation of the Risk Capital Action Plan (RCAP). The Council welcomed the Commission Communication including its evaluation of the implementation of the RCAP over the five years of the programme (1998-2003).

In particular, the Council:

- Emphasised the strategic importance of developing the European market for risk capital as an important element of promoting new and innovative firms, entrepreneurship, raising productivity and the sustainable rate of growth and hence contributing to the Lisbon objectives;
- Welcomed the Commission's assessment of considerable progress since 1998, in terms of both practices and volumes of investments, and including with respect to development of the European regulatory framework and the increasing awareness of risk capital as an important asset class for institutional investors;
- Emphasised, however, that Europe still has some way to go in improving the potential and the maturity of this sector and that a significant investment gap with the US persists;
- Considered also that ongoing work in the context of developing rules on capital adequacy and accounting standards could have important implications, and so merited continued attention and, if necessary, appropriate action in due course.

Therefore, the Council invites the Financial Services Committee to consider in more detail the Commission Communication and prepare advice for the Council by September 2004, particularly in the light of the request of the European Council in Spring 2003 for the Commission and Council "to work towards reducing barriers to the creation of a genuine European risk capital market, capable of supporting entrepreneurship, and examine inter alia obstacles for investments by institutional investors (pension funds) in venture capital funds". The Council also invites the Commission to report on progress in developing this market in the context of its annual report to the Spring European Council."

**Rådskonklusioner vedr. revision af EIB's eksterne lånemandat og EIB's middelhavs-investeringsfacilitet**

**“Council conclusions on the review of the EIB external lending mandate and the Facility for Euro-Mediterranean Investment and Partnership (FEMIP)**

The Council endorses the reports prepared by the EFC on the review of the EIB external lending mandate and the EIB Facility for Euro-Mediterranean Investment and Partnership (FEMIP) and agrees on the following:

***Euro-Mediterranean Financial Co-operation***

In line with the Barcelona European Council mandate, the Council reviewed the performance of the Facility for Euro-Mediterranean Investment and Partnership (FEMIP). The results achieved by FEMIP were evaluated positively. Mediterranean Partner countries, beneficiaries of FEMIP operations, were also consulted and all indicated their satisfaction with what the FEMIP had achieved in such a short time and its positive contribution to private sector development in their countries. The majority of them signalled a preference for a "reinforced" FEMIP Initiative as the next step, while three of them expressed a preference for a Subsidiary as the next step.

The Council agrees, on the basis of the FEMIP experience and the consultation with Mediterranean Partner countries, to develop this instrument further, and to reinforce FEMIP within the Bank. A "reinforced" FEMIP will strengthen FEMIP with a number of features in support of private sector development:

- Dedicate up to 200 million euros from the Bank's reserves to allow for extended risksharing operations of up to €1 billion, and a better structuring of lending to mitigate private sector risks (a "special FEMIP envelope").
- Improve the dialogue on the structural reform process so to enhance the environment for private sector activity, project and donor co-ordination, and the development of new financial products through transforming the Policy Dialogue and Co-ordination Committee into a Ministerial Committee of Finance Ministers that meets once a year, to be complemented by a High-Level preparatory body of experts, without doubling the Barcelona process. The Facility's local presence would be extended to Maghreb States.
- Establish a trust fund of initially 20-40 m euros, modelled on the special co-financing funds of other IFI's, directing resources to pro-

jects in certain priority sectors (water, transport, electricity, human capital) that can be made financially viable via a grant contribution or risk-capital participation. Participation in the trust fund would allow other donors to complement on a voluntary basis the contributions from the Community budget already pledged to the Facility under the MEDA programme. Donors would need to be identified.

The incorporation of an EIB majority-owned subsidiary dedicated to the Mediterranean partner countries will be fully assessed in December 2006, on the basis of an evaluation of the reinforced Facility's performance, and taking into account the outcome of consultations with the Barcelona Process partners.

The Council agrees to transfer the "surplus margin" in the external mandate of €2,180 million to the Mediterranean countries.

#### ***Financial co-operation with Russia and the WNIS***

In line with the EU's Wider Europe – New Neighbourhood policy, the Council also agrees to an additional allocation of €500 million for lending to Russia and the WNIS by the EIB until January 2007 as a further development of the ad-hoc Decision 2001/777/EC (Northern Dimension) for projects in areas in which the EIB has a comparative advantage (i.e. environment, and transport, telecommunications, energy infrastructure on priority TEN axes with a cross-border aspect for an EU Member State) and where there is unmet credit demand. This mandate shall be subject to, on the one hand, appropriate conditionality consistent with EU high-level agreements on political and macro-economic aspects, and with other IFIs on sectoral and project aspects, and on the other hand, appropriate work sharing between the EIB and the EBRD. Russia's inclusion in the general mandate will be fully assessed in December 2006.

In light of this, a slight increase in the overall ceiling of the general mandate may be needed. For the next generation of mandates as from 2007, instead of further increasing the overall ceiling, alternative means should be explored without the simple recourse to Community guarantees."

Rådskonklusioner vedr. proceduren for uforholdsmæssigt store underskud vedr. Frankrig og vedr. Tyskland samt Rådets erklæring

**“Council Conclusions on assessing the actions taken by France in response to recommendations of the Council according to Article 104(7) of the Treaty establishing the European Community and considering further measures for deficit reduction in order to remedy the situation of excessive deficit**

1. In assessing the budgetary situation of France, the Council has taken several considerations into account, in particular:

- i. By Council Decision 2003/487/EC<sup>2</sup>, it was decided, in accordance with Article 104(6) of the Treaty, that an excessive deficit existed in France.
- ii. In accordance with Article 104(7) of the Treaty and Article 3(4) of Regulation (EC) No 1467/97, the Council sent a Recommendation to France on 3 June 2003 requesting France to take measures to bring the existence of an excessive deficit to an end in 2004 at the latest. The Recommendation was made public.
- iii. Several important economic and budgetary developments have taken place since the Spring 2003, which the Commission recommended to be taken into account: (i) the worsening in cyclical developments was abrupt and unexpected and made the effort to bring the deficit below 3% of GDP in 2004 much larger than expected in June 2003; the Spring Commission forecast expected a growth rate for France of 1.1% in 2003 and 2.3% in 2004; in Autumn the forecast was revised to 0.1% in 2003 and 1.7% in 2004; (ii) the cumulated loss of real GDP growth over the period 2003-2004 compared to what was expected in the Spring now amounts to about 1.5 percentage point; (iii) the budgetary plans for 2004 submitted to Parliament in September are targeted at a reduction in the cyclically-adjusted deficit of 0.7 percentage point of GDP, slightly more than the 0.5 recommended by the Council in June. Consideration was also given to the fact that the French government committed to implement in 2004 a structural reform of the health insurance, with the aim of curbing the dynamic of health expenditure, which constituted a major problem in controlling general government expenditure over the latest years.
- iv. The argument stressed by the Commission, that too large a consolidation effort in one single year might prove economically costly, in particular in light of the downward revision of growth forecasts, should be given the appropriate relevance. On the basis of this argument, the Commission considered that the deadline which was

set in June for the elimination of the excessive deficit in France should be extended by one year, provided that effective measures are taken by the French authorities as from 2004.

- v. It is paramount that France moves rapidly towards a situation in which government finances are close to balance or in surplus. Such an underlying budgetary position must be achieved to ensure a rapid reduction in the debt to GDP ratio below the 60% of GDP reference value of the Treaty.

2. The Council noted that, following the Council Recommendation of 3 June 2003, France has adopted a number of structural measures, having an impact on 2003 and in the following years. The budget Law entails a reduction of the structural deficit in 2004 estimated at 0.7% of GDP.

3. The Council welcomes the public commitment by France to implement all the necessary measures to ensure that the deficit will be below 3% of GDP in 2005 at the latest.

4. In light of the Commission Recommendation and the commitments made by France, the Council recommends France to:

- a) achieve in 2004 an annual reduction in the cyclically-adjusted deficit of 0.8 percent of GDP;
- b) achieve in 2005 a reduction in the cyclically-adjusted deficit of at least 0.6 percent of GDP or a larger amount so as to ensure that the general government deficit is brought below 3 percent of GDP;
- c) should the recovery in economic activity be stronger than currently expected, allocate any higher-than-expected revenue to deficit reduction and accelerate the reduction in the cyclically-adjusted deficit;
- d) ensure that the budgetary consolidation continues in the years after 2005, namely through a steady reduction in the cyclically-adjusted budgetary deficit by at least 0.5 percentage point of GDP per year or more if necessary to achieve the medium term position of government finances close to balance or in surplus and bring back the debt ratio to a declining path;
- e) outline a strategy consistent with these commitments and based on prudent macroeconomic assumptions in the Stability Programme to be updated by December 2003;
- f) take into account the recommendations issued by the Council in the framework of the Broad Economic Policy Guidelines when imple-

menting the measures to be taken in order to comply with the above commitments;

g) put an end to the present excessive deficit situation as rapidly as possible and at the latest by 2005.

5. In light of the recommendations and the commitments by France set out above, the Council decided not to act, at this point in time, on the basis of the Commission Recommendation for a Council decision under Article 104(9).

6. The Council agrees to hold the Excessive Deficit Procedure for France in abeyance for the time being. The Council stands ready to take a decision under Article 104(9), on the basis of the Commission Recommendation, should France fail to act in accordance with the commitments set out in these Conclusions as it would emerge from the assessment based on § 7 below.

7. The Council invites France to regularly report on the progress made in fulfilling the commitments set out above, in particular in the context of the biannual notifications. In assessing the progress achieved, the Council and the Commission will give due attention to the prevailing economic conditions and to the structural reforms being implemented in France with a view to strengthening growth and ensuring the long term sustainability of public finances.”

**“Council Conclusions on assessing the actions taken by Germany in response to recommendations of the Council according to Article 104(7) of the Treaty establishing the European Community and considering further measures for deficit reduction in order to remedy the situation of excessive deficit**

1. In assessing the budgetary situation of Germany, the Council has taken several considerations into account, in particular:

- vi. By Council Decision 2003/89/EC<sup>3</sup> it was decided, in accordance with Article 104(6) of the Treaty, that an excessive deficit existed in Germany.
- vii. In accordance with Article 104(7) of the Treaty and Article 3(4) of Regulation (EC) No 1467/97, the Council sent a Recommendation to Germany on 21 January 2003 establishing the deadline of 21 May 2003 for Germany to take measures to bring the existence of an excessive deficit to an end as rapidly as possible. The Recommendation was made public.

- viii. On the basis of information available upon the expiry of the deadline of 21 May 2003, the policies announced by the German authorities satisfied the requirement of budget consolidation measures amounting to 1 % of GDP set out in the Recommendation of 21 January 2003.
  - ix. Several important economic and budgetary developments have taken place since the Spring: (i) the worsening in cyclical developments was abrupt and unexpected and made the effort to bring the deficit below 3% of GDP in 2004 much larger than expected in May 2003; the Spring Commission forecast expected a growth rate for Germany of 0.4% in 2003 and 2.0% in 2004; in Autumn the forecast was revised to 0.0% in 2003 and 1.6% in 2004; (ii) the cumulative loss of real GDP growth over the period 2003-2004 compared to what was expected in the Spring now amounts to nearly 2 percentage point.
  - x. The following arguments, which the Commission stressed, should be given the appropriate relevance: (i) too large a consolidation effort in one single year might prove economically costly in view of the prolonged stagnation in Germany over the last three years and the expected slow recovery; and (ii) government proposals for structural reforms would boost potential growth and reduce the deficit in the medium to long term.
  - xi. Taking into account these factors, and in order to provide the conditions for a balanced correction, the Commission considered that it appears that the deadline set in January 2003 for the elimination of the excessive deficit in Germany should be extended by one year, provided that effective measures are taken by the German authorities as from 2004.
  - xii. It is paramount that Germany moves rapidly towards a situation in which government finances are close to balance or in surplus. Such an underlying budgetary position must be achieved to ensure a rapid reduction in the debt-to-GDP ratio below the reference value of 60% referred to in the Treaty.
2. The Council noted that, following the Council Recommendation of 21 January 2003, Germany has made a substantive adjustment adopting several measures, which have a total impact on government finances in 2003 that is estimated by the Commission to be 1 percent of GDP.
  3. The Council welcomes the public commitment by Germany to implement all the necessary measures to ensure that the deficit will be below 3% of GDP in 2005 at the latest, on the basis of the GDP growth projections of the Commission.

9. In light of the Commission Recommendation and the commitments made by Germany, the Council recommends Germany to:

- h) achieve in 2004 an annual reduction in the cyclically-adjusted deficit of 0.6 percent of GDP;
- i) achieve in 2005 a reduction in the cyclically-adjusted deficit of at least 0.5 percent of GDP or a larger amount so as to ensure that the general government deficit is brought below 3 percent of GDP;
- j) should the recovery in economic activity be stronger than currently expected, allocate any higher-than-expected revenue to deficit reduction and accelerate the reduction in the cyclically-adjusted deficit;
- k) ensure that the budgetary consolidation continues in the years after 2005, namely through a steady reduction in the cyclically-adjusted budgetary deficit by at least 0.5 percentage point of GDP per year or more if necessary to achieve the medium term position of government finances close to balance or in surplus and bring back the debt ratio to a declining path;
- l) outline a strategy consistent with these commitments and based on prudent macroeconomic assumptions in the Stability Programme to be updated by December 2003;
- m) take into account the recommendations issued by the Council in the framework of the Broad Economic Policy Guidelines when implementing the measures to be taken in order to comply with the above commitments;
- n) put an end to the present excessive deficit situation as rapidly as possible and at the latest by 2005.

5. In light of the recommendations and the commitments by Germany set out above, the Council decided not to act, at this point in time, on the basis of the Commission Recommendation for a Council decision under Article 104(9).

6. The Council agrees to hold the Excessive Deficit Procedure for Germany in abeyance for the time being. The Council stands ready to take a decision under Article 104(9), on the basis of the Commission Recommendation, should Germany fail to act in accordance with the commitments set out in these Conclusions as it would emerge from the assessment based on § 7 below.

7. The Council invites Germany to regularly report on the progress made in fulfilling the commitments set out above, in particular in the context of the biannual notifications. In assessing the progress achieved, the Council and the Commission will give due attention to the prevailing economic conditions and to the structural reforms being implemented in Germany with a view to strengthening growth and ensuring long term sustainability of public finances.”

### Rådets erklæring

“The Council:

- confirms its strong commitment to sound public finances as a basis for strong economic growth and increased employment, in accordance with the conclusions of the European Council meeting of spring 2003;
- recalls the central role played by the Stability and Growth Pact in ensuring an improvement in the overall budgetary situation in the EU, and encouraging the development by the Member States of sound and sustainable budgetary policies;
- reaffirms its commitment to the Stability and Growth Pact as the framework for the coordination of budgetary policies in the European Union with the particular objectives of achieving budgetary positions of close to balance or in surplus over the business cycle and public finances that are sustainable in the long term;
- will, to achieve these objectives, strengthen the monitoring of budgetary developments in the Member States in accordance with the surveillance procedures laid down by the Treaty and the Pact;
- reaffirms the determination to implement the provisions of the Stability and Growth Pact by ensuring equality of treatment across Member States and the role of the Commission in this area;
- will pay particular attention within the surveillance framework to the full and timely implementation of the firm commitments given by those Member States whose budgetary positions require significant improvement in order to meet the Pact's medium term objective;
- undertakes to strengthen the implementation of the Pact by reinforcing budgetary discipline over the cycle and fostering structural reforms aimed at increasing growth potential.”

**Rådets erklæring vedr. direktiv om investeringservice**

- "1. On 7 October 2003 the Council (ECOFIN) reached a political agreement on a new Investment Services Directive.
2. The Council (ECOFIN) recognises that there is an imperative to adopt the Investment Services Directive before April 2004 to meet the timetable of the Financial Services Action Plan, as agreed by the European Council.
3. The Council (ECOFIN) encourages the European Parliament to progress its consideration of the Investment Services Directive to meet this deadline.
4. In a spirit of cooperation and to assist meeting this timetable, the Council (ECOFIN) invites the European Parliament to enter into early discussions with the Troika and the European Commission regarding changes to the text of the Investment Services Directive that would allow a second reading agreement between the European Parliament and the Council."