



**COUNCIL OF
THE EUROPEAN UNION**



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PRESSE 53

Council agrees on second economic governance package

The Council today¹ set out its position with a view to negotiations with the European Parliament on two draft regulations aimed at further strengthening economic governance in the euro area:

- a regulation for enhanced monitoring and assessment of draft budgetary plans of euro area member states, especially those subject to an excessive deficit procedure;
- a regulation on enhanced surveillance of euro area member states that are experiencing severe financial disturbance or request financial assistance.

On the basis of the Council's general approach, the presidency will negotiate with the Parliament with a view to adopting the regulations at first reading.

This second package of proposals was presented by the Commission in November following adoption of the so-called "six-pack" of economic governance proposals².

¹ The agreement was reached at a meeting of the Economic and Financial Affairs Council.
² For details, see press release [16446/11](#).

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The two regulations will introduce provisions for enhanced monitoring of countries' budgetary policies. Member states would be required to submit annually to the Council and the Commission their draft budgetary plans for the next year by 15 October. Closer monitoring would apply to member states in excessive deficit procedure in order to enable the Commission to better assess whether a risk of non-compliance with the deadline to correct the excessive deficit exists. Member states experiencing severe difficulties with regard to their financial stability or receiving financial assistance on a precautionary basis would be subject to even tighter monitoring than member states in excessive deficit procedure.
