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I would like to highlight three issues.

First, let me say that I believe the very nature of economic governance forces us to look beyond the six-pack and two-pack and into areas such as the banking union. Even if it is not an element of economic governance, it can bring stability to the system and influence the capacity of the EMU to deliver. It also includes decisions requiring political assessment, in particular on the implementation side. When looking at economic governance, we need to have a broader perspective.

Second, there are rules and there are policies. The economic governance framework has put in place many rules. But their success hinges on the right policy choices. Citizens when looking at the outcome of economic governance do not differentiate between the policy choices, mostly made nationally, and the rules on which the system is based. This can raise doubts about the viability of the system as well as its democratic credentials. So while respecting rules, we have to go for better tailor-made policy choices and we have to carefully assess and hopefully fill in the legitimacy gap.

Third, there is the challenge of growth. It goes without saying that in particular today, any economic governance needs to have a strong growth perspective. Structural reforms are of the essence here and yet the governance framework does not provide a mechanism to foster those reforms. Contractual arrangements proposed by the four presidents two years ago (in a paper entitled *Towards a genuine economic and monetary union*) had until recently disappeared from the radar. The Eurogroup conclusions from this December seem to reopen the issue. I hope we will get a strong commitment catalyst for structural reforms. I also hope that the Commission will play a leading role on this matter.