EU Commission: excessive deficit procedure for Italy and 6 other countries

The European Commission has today announced that for Italy and six other Member States (Belgium, France, Hungary, Malta, Poland and Slovakia) there are grounds for opening excessive deficit procedures in light of the periodical report assessing the compliance of 12 countries with the deficit criterion laid down in the Treaty on the Functioning of the European Union, according to which deficit must not exceed 3% of GDP, Commissioner Paolo Gentiloni explained at a press conference. In the case of Italy, Spain, Portugal, France and Greece, vulnerabilities have declined “but remain a concern”, and the “excessive imbalances” previously recorded have been reduced to “imbalances”. The announcement was made today during a press conference for the presentation of policy guidance to Member States under the 2024 European Semester Spring Package. The EU is “determined to take further steps to enhance its long-term competitiveness, prosperity and leadership on the global stage”, a statement reads, and to strengthen its strategic autonomy. The EU needs to address the “structural challenges that hamper its competitiveness”, and there is a need to ensure “higher productivity growth and stronger investment” and to address labour and skills shortages. The Spring 2024 Economic Forecast projects GDP growth at 1.0% in the EU and 0.8% in the euro area this year, while in 2025, growth is expected at 1.6% in the EU and 1.4% in the euro area, while inflation is projected to fall from 6.4% in 2023 to 2.2% in 2025.

Redazione