

# Recent European experiences with macroeconomic monitoring and surveillance

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# Introduction

- The recent financial and economic crisis has shown that the instruments for the coordination of the economic policy in the EU have not been fully used and gaps in the current system of governance still exist.
- Two European Commission communications:
  - ‘**Europe 2020** - A strategy for smart, sustainable and inclusive growth’
  - ‘Enhancing **economic policy coordination** for stability, growth and jobs — Tools for stronger EU economic governance the European Commission
- => « Post Crisis » season for statistics

- Both initiatives
  - Europe 2020
  - macro-economic, budgetary and structural surveillance
- address the consequences of the financial, economic, social and public finance crisis
  - from a political point of view
  - require a strong statistical input to provide the necessary information to establish, assess and monitor European economic and monetary policies in the coming years.

# Europe 2020

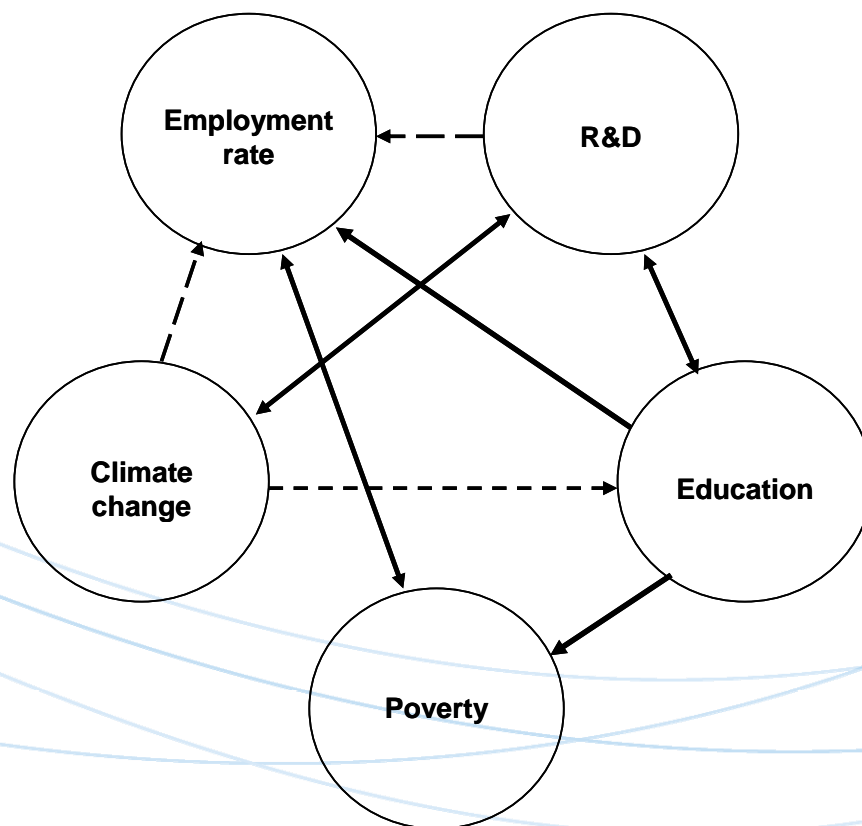
Three mutually reinforcing priorities:

- Smart growth: developing an economy based on knowledge and innovation.
- Sustainable growth: promoting a more resource efficient, greener and more competitive economy.
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

## Europe 2020 - Targets

- 75 % of the population aged 20-64 should be employed.
- 3% of the EU's GDP should be invested in R&D.
- The '20/20/20' climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right).
- The share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree.
- 20 million less people should be at risk of poverty.

# Europe 2020 – Synergies and interlinkages



# Europe 2020 – Flagship initiatives

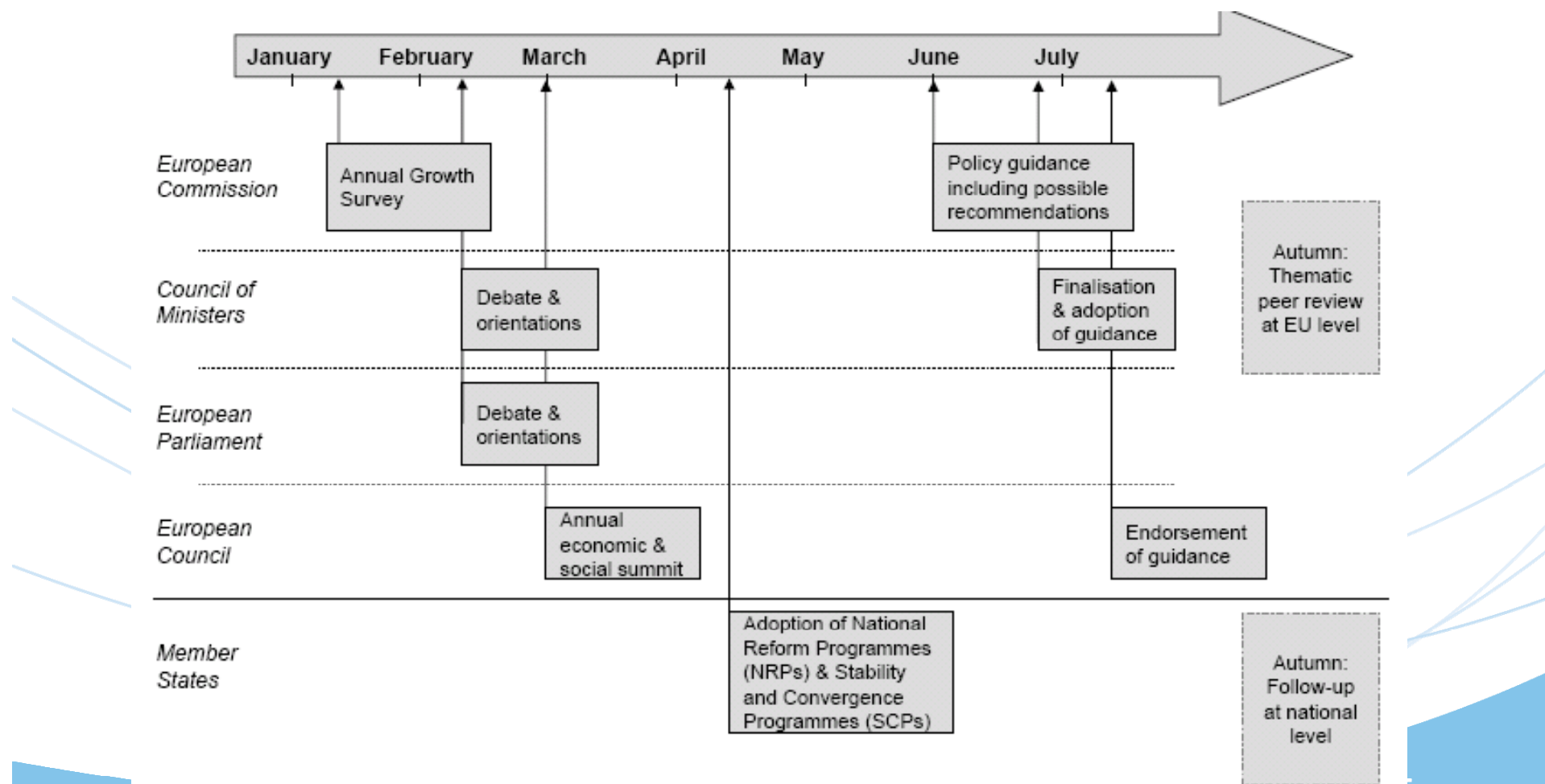
- Innovation Union
- Youth on the move
- A digital agenda for Europe.
- Resource efficient Europe
- An industrial policy for the globalisation era
- An agenda for new skills and jobs
- European platform against poverty

# EU macro-economic, budgetary and structural surveillance

- Set of tools to **strengthen the economic governance** of the EU and the euro area is the implementation of enhanced surveillance of **fiscal** policies, **macroeconomic policies** and **structural reforms**
- **synchronization** of the European Union surveillance with the national budget procedures in a single framework, the '**European semester.**'



# European semester



# Integrated country surveillance

## EUROPE 2020 FIVE HEADLINE TARGETS

↓  
Europe 2020 Integrated Guidelines

Macro-economic  
surveillance

Thematic  
coordination

Stability and  
Growth Pact

↓  
Fiscal  
surveillance

*National level*

National  
Reform  
Programmes

Stability and  
Convergence  
Programmes

*EU level*

Commission's Annual Growth Survey  
EU annual policy guidance and recommendations  
EU flagship initiatives and levers

## Role of European statistics

- Europe 2020 concrete targets measured by statistical indicators
- Headline targets and national targets
- Surveillance scoreboard
  - Address macroeconomic imbalances
  - Role of short-term indicators

Thank you for your attention!