Eurogroup

Luxembourg,
22 June 2018

Work programme for the Eurogroup for the second half of 2018

I. Policy priorities

As stipulated in the Eurogroup working methods, a work programme for the Eurogroup for the following six months has been drawn up, in order to help ensure an optimal preparation of issues for discussion. In developing the work programme of the Eurogroup, the Council Recommendations on the economic policies of the euro area have been well taken into account.

Europe's economy has entered 2018 in robust health. In 2017, the euro area enjoyed the highest annual growth rates since before the financial crisis. Unemployment, deficits and debt continue to fall and investment has at last been rising in a meaningful way. However, supply constraints have started to emerge, even if economic slack is still substantial in some areas. Economic growth is also more balanced than it was a decade ago, even if further efforts are needed to fully address macroeconomic imbalances in the euro area. The still high levels public debt in some euro area Member States remain a source of concern. Core inflation remains subdued and unemployment, although on a declining path across the euro area, is still above pre-crisis levels in a number of Member States. Risks to the growth outlook are now considered tilted to the downside as domestic upside risks have faded while downside risks to the global growth outlook have increased significantly, both in the short and in the medium term.

In this context, the Eurogroup will maintain its attention on policies geared at strengthening longer-term growth and employment prospects. Ministers will keep a strong focus on reforms that improve the resilience of the euro area and national economies, in the absence of nominal exchange rate policies, and given spillover effects in the currency union. In this regard, the Eurogroup will promote coordinated action at EU level. It will continue to invite distinguished external participants when appropriate. The discussion of the Council Recommendation on the economic policies of the euro area in December will also help to foster collective and country-specific action to answer common challenges faced by the euro area.

The Eurogroup will continue to closely monitor Member States' efforts to ensure sound fiscal policies, as well as the budgetary situation in the euro area as a whole. As customary, in the second half of the year the Eurogroup will assess the draft budgetary plans (DBPs) and the overall euro area budgetary situation and prospects, which provide an opportunity for ex-ante budgetary coordination in a euro area dimension.

The Eurogroup will continue to be involved in post-programme surveillance in Cyprus, Ireland, Portugal and Spain. The Eurogroup will also closely follow the post-programme framework for Greece whose modalities will be decided at the end of the programme.

Close attention will continue to be devoted to financial stability in the euro area and advancing and strengthening the Banking Union, including through the hearing of the Chair of the Single Supervisory Board and the reporting by the Chair of the Single Resolution Board. The Eurogroup will continue to closely follow global economic developments and look at international issues as appropriate, including in the context of the preparation of international meetings. The Eurogroup will also carry on its role in the preparation of the Euro Summit meetings as needed.

Finally, the future of the Union is a fundamental issue for euro area finance ministers, and the current broader debate is likely to continue to have ramifications in the work programme of the Eurogroup and of the Eurogroup in inclusive format, as appropriate. In this regard, the outcome of the June 2018 European Council may lead to further refinements of the work programme, in particular on the further deepening of EMU.

The Eurogroup work programme should be seen as indicative. Sufficient flexibility will be needed to ensure an appropriate focus on changing priorities.

I. Detailed work programme

12 July 2018

- (poss.) Deepening of the EMU – follow-up of the June European Council
- (poss.) Stability and Growth Pact implementation for euro area countries
- Presentation of Commission summer interim forecast
- (poss.) Euro area fiscal stance
- (poss.) Greece – state of play
- Ireland – Post-programme surveillance - 9th review
- Spain – post-programme surveillance – 9th review

7 September 2018

- Exchange of views with the Chair of the ECON Committee of the European Parliament
- Thematic discussion on growth and jobs: allocative efficiency in labour and product markets
- (poss.) Greece – post programme framework
- Portugal - Post Programme Surveillance – 8th review

1 October 2018

- Thematic discussion on growth and jobs – national automatic stabilisers
- Preparation of international meetings including exchange rate developments
- (poss.) Preparation of the October European Council

5 November 2018

- Thematic discussion on growth and jobs – financial stability in the EMU
- Banking Union – euro area aspects
    - Eighth hearing of the Chair of the ECB Supervisory Board
    - Presentation by the SRB on its activities
- (poss.) Debrief of the G7 meeting
- (poss.) Greece – post programme framework

- (poss.) Deepening of the EMU

3 December 2018

- (poss.) IMF Article IV interim mission to the euro area
- (poss.) 2019 Euro area recommendations (EARs)
- (poss.) Spain – post-programme surveillance – 10th review
- (poss.) Cyprus – post-programme surveillance – 5th review
- Assessment of euro area Member States' Draft Budgetary Plans and of the euro area budgetary situation and prospects
- (poss.) Implications of the Commission services' autumn 2018 forecast for fiscal surveillance; implementation of the Stability and Growth Pact, Excessive Deficit Procedures for euro area countries
- (poss.) Preparation of the December European Council
- Eurogroup Work Programme I-2019