**Eurogroup**
The President

Brussels,17 February 2025
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# Eurogroup Work programme until July 2025

Dear colleagues,

We should be proud that with its fundamental economic strengths, its skilled people, innovative firms, good infrastructure, a stable business environment and solid institutions, the euro area is a trusted and indispensable partner in the world economy.

Our economy has demonstrated remarkable resilience in the face of recent major economic shocks, thanks to a strong, coordinated, and timely policy response. In an ever more uncertain and fast-evolving global environment, delivering on the full potential of our Economic and Monetary Union (EMU) is an overriding priority for our citizens. In a world of economic interdependence, in which the euro area's openness and high savings rates have shaped the structure of its economy, we need to continue to monitor the implications of global developments on the resilience of our growth model.

The Eurogroup has an important role to play in fostering a deeper, more competitive EMU and in coordinating sound economic and fiscal policies among euro area countries.

Over the last year, we made significant headway in discussions regarding further integrating our capital markets and enhancing our competitiveness and we successfully agreed on a commonly shared view for the way forward. On the future of the Capital Markets Union, we adopted a statement which is guiding the policy debate at both national and EU level. On competitiveness, we adopted a statement which provides the consensual view on the key aspects from the perspective of EU Finance Ministers.

We had a wide ranging and encouraging discussion at our January meeting on the risks and opportunities for the euro area over the coming years, and what our key priorities and deliverables should be in this context.

We will continue to spearhead strategic exchanges as we look to implement our recent statements in the months ahead and deliver on their key objectives – further developing EU capital markets and improving the EU's investment environment. We also need to continue our important work on completing our Banking Union.

Forging agreements and delivering on our shared commitments are key for the period ahead.

It is also important we continue to lead, promote and uphold the euro area's position in international economic fora. This is ever more important in a world of heightened geo-economic risks.

On the basis of our discussions, I propose that up to July 2025 the Eurogroup continue its work on the following priority policy areas centred around the 5 Cs of Coordination, Capital Markets Union, Completing Banking Union, Competitiveness and Common currency:

## (i) Coordination of economic and budgetary policy

The Eurogroup will continue to evaluate economic and financial developments while closely coordinating economic and fiscal policies. The Eurogroup will take a coordinating role in enhancing overall policy effectiveness and economic growth, in line with its working methods.

Throughout the year, the discussions on budgetary policy and the euro area fiscal stance will be pivotal in supporting a coherent policy mix, and guiding Member States in aligning their fiscal strategies with common goals, promoting stability and growth, consistent with the revised governance framework.

As in the past, the Eurogroup will monitor and discuss developments in individual budgetary strategies and policies of euro area Member States, including on issues pertaining to Stability and Growth Pact implementation where warranted, or issues concerning medium-term fiscal structural plans. These discussions will be without prejudice to ECOFIN prerogatives.

Our key deliverable for H1 will be a statement on our fiscal stance in July.

### (ii) Capital Markets Union (CMU)

The Eurogroup has placed a strong political emphasis on moving forward with building a true Capital Markets Union. Our ambitious 2024 statement set out thirteen priority measures across three key areas – Architecture, Business and Citizens and we endorsed a high-level roadmap to drive implementation forward. The time for decisive action is now.

With the objective of working on offering European households new savings and investment opportunities, I propose for H1 we prioritise discussing the Commission’s communication for a Savings and Investment Union, as a follow-up to our statement, including a specific focus on securitisation, simplification and savings and investment product. Our next key deliverable for 2025 will be in October when we will assess the performance of European capital markets and track progress on implementing the statement on the future of CMU at national and European level.

### (iii) Completing Banking Union

The Eurogroup has committed to strengthening and completing Banking Union[1]. Based on our agreement in 2022, strengthening the common framework for bank crisis management and national deposit guarantee schemes (CMDI) is the next step. We need to build momentum in the Banking Union project. Before the summer, I propose we hold a political discussion to consider further progress, which is necessary to ensure financial stability and protect our taxpayers.

In this context, a common backstop to the Single Resolution Fund remains essential. Ratification of the ESM reform treaty and progress of the ESM toolkit review remain core objectives.

Our key deliverable in H1 will be progressing towards a common way forward.

### (iv) Competitiveness

We agreed a statement towards the end of last year on the competitiveness of the European economy, crowning a year of rich and valuable discussions. Ministers identified and reached consensus on policy priorities focusing on: (i) addressing the EU's innovation and productivity challenges to boost growth, (ii) reducing the price of energy and building EU energy resilience through coordination and integration, (iii) strengthening EU economic security in a fragmenting global trade environment, (iv) revitalising the Single Market to preserve European prosperity, and (v) coordinating investment strategies to finance EU priorities.

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[1] See https://www.consilium.europa.eu/en/press/press-releases/2022/06/16/eurogroup-statement-on-the-future-of-the-banking-union-of-16-june-2022/

As a priority in H1 I propose we focus on addressing our innovation and productivity challenges to boost growth and invite the OECD to present findings on the productivity performance of euro area countries in July.

### (v) Common currency – the international role of the euro and the digital future of our currency

Against the backdrop of a rapidly changing payments landscape and geopolitical context, as well as the rise of crypto-assets and stablecoins and the accelerating investments into tokenised financial operations, the digital euro and innovative wholesale payment solutions represent a key opportunity to enhance the euro area's resilience and strategic autonomy, safeguard monetary sovereignty and support the international role of the euro.

In H1 this year we must facilitate progress on the digital future of our common currency and ensure momentum in this key file through our political guidance. Our key deliverable in H1 will be demonstrating our political support and consensus through a statement outlining clearly the key priorities against these challenges.

In preparation for international meetings, the Eurogroup will continue to lead the coordination of the euro area's position in international forums, particularly within the G7 Finance Track. We will also continue to take stock of the international role of the euro. Our discussions on exchange rate developments in April will be particularly important in this regard.

The Eurogroup will continue to engage on euro area enlargement, including an immediate ongoing focus on Bulgaria's convergence process.

In the annex of this letter I have outlined the proposed agendas for our meetings until July 2025, which reflect our continued efforts on the priorities we discussed in January.

I propose we also continue to engage in dialogues with key G7/international partners and external speakers, including by holding joint discussions as and when appropriate.

Given the current uncertain environment, the Eurogroup stands ready to address new challenges that may arise, and therefore this work programme should be seen as indicative.

Flexibility is key for ensuring swift reactions to possible future unexpected developments.

I look forward to discussing this with you in February.

Paschal Donohoe

President of the Eurogroup

***Annex. Proposed agenda of upcoming meetings***

***<u>Eurogroup on 10 March 2025</u>***

- Macroeconomic developments in the euro area: topical discussion
- Debrief from the February G7 meeting of Finance Ministers and Central Bank Governors
- (poss.) Competitiveness workstream – follow-up
- Fiscal policy coordination: stocktaking and challenges going forward

*In inclusive format*

- Preparation of the March Euro Summit (incl. CMU stocktake)

***<u>Eurogroup on 11 April 2025</u>***

- Developments in crypto-asset activities and markets
- Preparation of international meetings – exchange rate and inflation developments

*In inclusive format*

- CMU: the European Savings and Investments Union

***<u>Eurogroup on 12 May 2025</u>***

- Digital euro – stocktake of preparatory work
- Debrief from international meetings

*In Banking Union format*

- Banking Union:
    - Twenty-first hearing of the Chair of the Supervisory Board
    - Reporting on recent activities of the Single Resolution Board
    - Update on progress on Eurogroup statement on Banking Union

***<u>Eurogroup on 19 June 2025</u>***

- Macroeconomic developments - IMF Article IV review of euro area policies
- (poss.) Stocktake of Stability and Growth Pact Implementation in euro area members
- ESM: update on toolkit review
- (poss.) Euro area enlargement

*In inclusive format*

- (poss.) Preparation of the June Euro Summit

***Eurogroup on 7 July***

- Coordination: euro area fiscal stance – agreement on statement
- Competitiveness workstream: (poss.) OECD review – presentation of main findings on the productivity performance of euro area countries
- International role of the euro – stocktaking
- Election of the President of the Eurogroup
- Eurogroup work programme for II/2025
- (poss.) Euro area enlargement

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