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Young people's future depends on change to fiscal rules

Today, Commission Executive Vice-President Valdis Dombrovskis and Commissioner Paolo Gentiloni have relaunched the EU economic governance review. Monika Skadborg, board member at the European Youth Forum, welcomed this communication:

"The future of young people depends on how we address the climate crisis today. Building a sustainable future requires the best budgetary tools possible and this means that the EU rules constraining public investment need to change. We hope that the outcome of this process is more flexibility for governments to fund long-term social and environmental sustainability."

Notes to Editors

- As part of today's announcement, the European Commission reopened the public consultation on the EU Stability and Growth Pact, which dictates the rules on Member States debt and deficit. The current rules limit State debt to 60 per cent of their Gross Domestic Product (GDP), however, the average EU national debt was at 93 per cent as of Q1 2021, and reaches 100 per cent of GDP in the Eurozone.
- The EU fiscal rules were suspended in 2020, to allow the EU Member States to support their economies during the pandemic and fund their recovery. The suspension will end in December 2022, unless the rules change.
- The public consultation reopens after having been suspended due to the pandemic. It is similar overall to the consultation which was launched in February 2020 but includes new questions concerning lessons learned with the Recovery and Resilience Facility over the last 18 months

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