

ECOFIN prepares Stockholm, ageing population a common challenge for Europe

The ECOFIN agenda was dominated by preparations for the Special Meeting of the European Council on 23-24 March in Stockholm. The main decisions of the ECOFIN Council included:

Preparations for the Stockholm summit

The joint Council and Commission report on public finances contribution to growth and employment was approved. The report focuses on the need for sound public finances to meet the common challenge of ageing populations, to increase the employment friendliness of tax and social insurance systems and to boost investments in research and development and education. ECOFIN agreed on using the Stability and Convergence programmes and the Broad Economic Policy Guidelines as instruments for follow-up on Member States' efforts to handle the budgetary consequences of ageing populations. This agreement will give better coordination, while maintaining full respect for subsidiarity.

The Key Issues Paper prepared by the ECOFIN Council for the Stockholm European Council was approved. The document summarises the strategic issues for this year's general economic guidelines, for which the European Council will provide political guidance on 23-24 March. The ECOFIN Council specified the key areas as:

Maintaining the economic recovery through a sound macroeconomic policy mix and ensuring the longterm sustainability of public finances in light of ageing populations.

Strengthening the EU economy's potential for growth, through continued reforms in labour markets, and financial and product markets, including reform of the legislative process for securities markets. Encouraging the transition to a knowledge-based society.

Lamfalussy

Report

The Report of the Committee of Wise Men on how to improve the regulatory and legislative process for the European securities markets (the "Lamfalussy Report") was also discussed. Further discussions will continue with the aim of reaching a common view before the Stockholm summit.