



## **YEPP Resolution: Strengthening Europe's Economical Development**

### **Recognizing:**

- That YEPP adopted a resolution "Call for Fiscal Discipline in the EU".
- That the current sovereign debt crisis and unchecked budget deficits led to a crisis of confidence in the EU.
- That the European Central Bank (ECB) dictates European monetary policy, leaving member states without the necessary controls to control excessive economic growth or inflation.
- That the Eurozone countries established an European Financial Stability Fund which was perceived as a necessary and urgent stability tool to overcome the burdens of the crisis.
- That under the treaty, EU Member States outside of the Eurozone must adopt the Euro and meet the Maastricht Criteria. That the Maastricht Criteria also foresee in fiscal discipline.
- That article 143 TFEU grants mutual financial assistance for countries outside the Eurozone. The Eurozone Member States are not entitled for financial assistance for their fiscal problems under article 143 TFEU. The treaty also prevents governments of these Member States to have recourse to overdraft facilities or any other type of credit facility with the European Central Bank or with national central banks (Article 123 TFEU) or to have privileged access to financial institutions (Article 124 TFEU).

### **Acknowledging:**

- That, without prejudice to the YEPP resolution "Call for Fiscal Discipline in the EU", there is the need for closer cooperation of member states towards dealing with economic and fiscal progress and growth.
- The major impacts of the overcome economic crisis, which revealed weaknesses of the current EU and national mechanisms.
- That there are already measures proposed and implemented in the EU framework

### **YEPP calls on the respective EU institutions:**

- To further increase monitoring efforts of the monetary and fiscal strategies of Member States, to ensure financial stability among Member States' national economies and the common European.

- To promote economic growth and jobs, by emphasizing on growth enhancing structural reforms which boost employment;
- To support measures that can ensure the competitiveness and esteemed presence of Eurozone in international markets.
- To ensure the implementation of already proposed measures, specifically to increase the efficiency of the Stability and Growth Pact.
- To suggest and work on more targeted reforms, in order to ensure short-, medium- and long-term financial stability among the Eurozone members.
- To assign the current commissioner responsible for economic and monetary affairs the duty of representing the EU on relevant international bodies and organizations, constituting a single voice for EU's financial policy.
- To support measures that can promote competitiveness and reinforce the presence of Eurozone members in international markets, particularly by issuing Euro-bonds;
- To provide for a well-structured template concerning debt management and budgetary reviews, especially through a state-by-state review system; thus establishing competitiveness as well as fiscal cooperation among member states. It is however important that member states provide real statistic reports.
- To evaluate monitor procedures of international credit rating agencies with regards to Eurozone members credibility.
- To consider moving forward with the plan of setting up a European credit rating agency.

*Adopted by the YEPP Congress in Berlin on 14 May, 2011.*