

Eurogroup Statement on the updated Draft Budgetary Plans for 2017 of Spain and Lithuania

Today, the Eurogroup discussed the 9 December update of the Draft Budgetary Plan (DBP) of Spain and the 15 December update of the DBP of Lithuania, based on the Commission Opinions of 17 January. We welcome the fact that these two Member States submitted full DBPs as requested in the Eurogroup statement of 5 December 2016.

We agree with the Commission Opinion that the budget of Spain is broadly compliant with the requirements of the Stability and Growth Pact (SGP). We invite Spain to ensure compliance with these provisions within the national budgetary processes and welcome Spain's commitment to take any measures, if necessary.

We agree with the Commission Opinion that the budget of Lithuania is at risk of non-compliance with the requirements of the SGP. The Commission's 17 January Opinion largely confirms its November assessment. The Eurogroup also notes that the Commission will assess the authorities' application for the flexibility clause for Lithuanian structural reforms this spring. If granted, this would result in a smaller deviation from the adjustment path towards the MTO. The Eurogroup reiterates its invitation to Lithuania to implement the measures necessary to ensure that the SGP requirements are met.

As stated on 5 December 2016 the Eurogroup will follow progress made with respect to the implementation of the DBPs and additional commitments, based on follow-up assessments from the Commission, currently planned for March 2017.

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