

## STUDY

### Country Specific Recommendations for 2016 A comparison of Commission and Council recommendations (the ‘comply or explain’ principle)

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The table overleaf compares the draft 2016 Country Specific Recommendations (CSRs) proposed by the Commission on **18 May 2016** with the 2016 CSRs approved by the Council (ECOFIN) on [17 June 2016](#). These CSRs were generally endorsed by the European Council on [28-29 June 2016](#) and are to be formally adopted on 12 July 2016 by the Council (ECOFIN).


The comparison is provided in order to facilitate the assessment of the "*comply or explain*" rule stipulated in Article 2-ab(2) of EU Regulation No 11757/2011: "*The Council is expected to, as a rule, follow the recommendations and proposals of the Commission or explain its position publicly*".


Contrary to a "*comply or explain-note*" prepared by the Council ([doc 9327/16](#)), which only shows changes that have not been accepted by the Commission during the Council adoption process, the table overleaf provides an overview of all modifications introduced by the Council.


**Note:** The text marked in grey in the table has been *added, changed or deleted*, in the Council text as compared to the Commission text.


[BE](#), [BG](#), [CZ](#), [DK](#), [DE](#), [EE](#), [IE](#), [EL](#), [ES](#), [FR](#), [HR](#), [IT](#), [CY](#), [LV](#), [LT](#), [LU](#), [HU](#), [MT](#), [NL](#), [AT](#), [PL](#), [PT](#), [RO](#), [SI](#), [SK](#), [FI](#), [SE](#), [UK](#)


<p style="text-align: center;"><b>BE</b></p> 	<p style="text-align: center;"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><b>Country Specific Recommendations 2016</b></u>  <b>SGP: CSR 1 and MIP: -</b></p>	<p style="text-align: center;"><u><b>Council Draft Recommendation(s)</b></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Achieve an annual fiscal adjustment of at least 0.6% of GDP towards the medium-term budgetary objective in 2016 and in 2017. Use windfall gains to accelerate the reduction of the general government debt ratio. Agree on an enforceable distribution of fiscal targets among all government levels. Simplify the tax system and remove distortive tax expenditures.</p> <p>2. Carry out the intended review of the 'Law of 1996' on competitiveness and employment in consultation with the social partners. Ensure that wages can evolve in line with productivity. Ensure the effectiveness of labour market activation policies. Move forward with education and vocational training reforms and provide training support, notably for people from a migrant background.</p> <p>3. Boost the capacity to innovate, notably by fostering investment in knowledge-based capital. Increase competition in the business services sector and the retail sector by removing unwarranted operational and establishment restrictions. Address shortfalls in investment in transport infrastructure and energy generation capacity.</p>	<p>1. Achieve an annual fiscal adjustment of at least 0,6 % of GDP towards the medium-term budgetary objective in 2016 and in 2017. Use windfall gains to accelerate the reduction of the general government debt ratio. Agree on an enforceable distribution of fiscal targets among all government levels. Simplify the tax system and remove distortive tax expenditures.</p> <p>2. Carry out the intended review of the Law of 1996 on the promotion of employment and the safeguarding of competitiveness <del>and employment</del> in consultation with the social partners. Ensure that wages can evolve in line with productivity. Ensure the effectiveness of labour market activation policies. Move forward with education and vocational training reforms and provide training support <del>notably for</del> for disadvantaged groups, in particular people from a migrant background.</p> <p>3. Boost the capacity to innovate, <del>notably in particular</del> by fostering investment in knowledge-based capital. Increase competition in the business services sector and the retail sector by removing unwarranted operational and establishment restrictions. Address shortfalls in investment in transport infrastructure and energy generation capacity.</p>


 <b>BG</b>	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><b>Country Specific Recommendations 2016</b></u> <b>SGP: CSR 1 and MIP: CSR 1, 2, 3, 4</b>	<u><b>Council Draft Recommendation(s)</b></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. Achieve an annual fiscal adjustment of 0.5% of GDP towards the medium-term budgetary objective in 2016 and in 2017. Further improve tax collection and take measures to reduce the extent of the informal economy, including undeclared work.</p>	<p>1. Achieve an annual fiscal adjustment of 0,5 % of GDP towards the medium-term budgetary objective in 2016 and in 2017. Further improve tax collection and take measures to reduce the extent of the informal economy, including undeclared work.</p>
	<p>2. By the end of 2016, finalise the asset quality review and stress test of the banks. By the end of 2016, complete the balance-sheet review and stress test of the insurance companies and the review of private pension funds' assets. Take the necessary follow-up actions in all three sectors and continue to improve banking and non-banking supervision.</p>	<p>2. By the end of 2016, finalise the asset quality review and stress test of the banks. By the end of 2016, complete the balance-sheet review and stress test of the insurance companies and the review of private pension funds' assets. Take <del>the</del>, as necessary, follow-up actions in all three sectors and continue to improve banking and non-banking supervision.</p>
	<p>3. Reinforce and integrate social services and active labour market policies, in particular for the long-term unemployed and young people not in employment, education or training. Increase the provision of quality education for disadvantaged groups, including Roma. Improve the efficiency of the health system by improving access and funding, and health outcomes. In consultation with social partners establish guidelines and criteria for setting the minimum wage. Increase the coverage and adequacy of the minimum income scheme.</p>	<p>3. Reinforce and integrate social assistance, including relevant social services, and active labour market policies, in particular for the long-term unemployed and young people not in employment, education or training. Increase the provision of quality education for disadvantaged groups, including Roma. Improve the efficiency of the health system by improving access and funding, and health outcomes. In consultation with social partners establish guidelines and criteria for setting the minimum wage. Increase the coverage and adequacy of the minimum income scheme.</p>
	<p>4. Reform the insolvency framework to accelerate recovery and resolution procedures and improve their effectiveness and transparency. Increase the capacity of the courts regarding insolvency procedures. Strengthen the capacity of the Public Procurement Agency and contracting authorities and improve the design and control of public tendering procedures. Speed up the introduction of e-procurement.</p>	<p>4. Reform the insolvency framework to accelerate recovery and resolution procedures and improve their effectiveness and transparency. Increase the capacity of the courts regarding insolvency procedures. Strengthen the capacity of the Public Procurement Agency and contracting authorities and improve the design and control of public tendering procedures, in particular by fully implementing the National Strategy for the development of the Public Procurement Sector (2014-2020). Speed up the introduction of e-procurement.</p>

 <b>CZ</b>	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><b>Country Specific Recommendations 2016</b></u> <b>SGP: CSR 1 and MIP: -</b>	<u><b>Council Draft Recommendation(s)</b></u> <b>as approved by the Council on 17 June 2016</b>
	1. Take measures to ensure the long-term sustainability of public finances, in light of future risks in the area of healthcare. Adopt legislation to strengthen the fiscal framework.	1. Take measures to ensure the long-term sustainability of public finances, in light of future risks in the area of healthcare. Adopt legislation to strengthen the fiscal framework.
	2. Reduce regulatory and administrative barriers to investment, notably in transport and energy, and increase the availability of e-government services. Adopt the outstanding anti-corruption reforms and improve public procurement practices.	2. Reduce regulatory and administrative barriers to investment, <del>notably</del> <b>in particular</b> in transport and energy, and increase the availability of e-government services. Adopt the outstanding anti-corruption reforms and improve public procurement practices.
	3. Strengthen governance in the R&D system and facilitate the links between academia and enterprises. Raise the attractiveness of the teaching profession and take measures to increase the inclusion of disadvantaged children, including Roma, in mainstream schools and pre-schools. Remove the obstacles to greater labour market participation by under-represented groups, particularly women.	3. Strengthen governance in the R&D system and facilitate the links between academia and enterprises. Raise the attractiveness of the teaching profession and take measures to increase the inclusion of disadvantaged children, including Roma, in mainstream schools and pre-schools. Remove the obstacles to greater labour market participation by under-represented groups, <del>particularly</del> <b>in particular</b> women.


<b>DK</b> 	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><a href="#">Country Specific Recommendations 2016</a></u> <b>SGP: CRS 1 and MIP: -</b>	<u><a href="#">Council Draft Recommendation(s)</a></u> <b>as approved by the Council on 17 June 2016</b>
	1. Respect the medium-term budgetary objective in 2016 and achieve an annual fiscal adjustment of 0.25% of GDP towards the medium-term budgetary objective in 2017.	1. Respect the medium-term budgetary objective in 2016 and achieve an annual fiscal adjustment of 0,25 % of GDP towards the medium-term budgetary objective in 2017.
	2. Enhance productivity and private sector investment by increasing competition in the domestic services sector, in particular by facilitating market entry in retail and construction. Incentivise the cooperation between businesses and universities.	2. Enhance productivity and private sector investment by increasing competition in the domestic services sector, in particular by facilitating market entry in retail and construction. Incentivise the cooperation between businesses and universities.


<p style="text-align: center;"><b>DE</b></p> 	<p style="text-align: center;"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><b>Country Specific Recommendations 2016</b></u>  <b>SGP: - and MIP: CRS 1, 2, 3</b></p>	<p style="text-align: center;"><u><b>Council Draft Recommendation(s)</b></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Achieve a sustained upward trend in public investment, especially in infrastructure, education, research and innovation, by using the available fiscal space and prioritising expenditure. Improve the design of federal fiscal relations, also with a view to addressing the persistent public under-investment, especially at municipal level.</p>	<p>1. Achieve a sustained upward trend in public investment, especially in infrastructure, education, research and innovation, <del>by using</del> while respecting the <del>available fiscal space and prioritising expenditure</del> medium term objective. Improve the design of federal fiscal relations, <del>also</del> with a view to <del>addressing the persistent</del> increasing public <del>under</del> investment, especially at municipal level.</p>
	<p>2. Reduce inefficiencies in the tax system, in particular by reviewing corporate taxation and the local trade tax, modernise the tax administration and review the regulatory framework for venture capital. Step up measures to stimulate competition in the services sector, in particular in business services and regulated professions.</p>	<p>2. Reduce inefficiencies in the tax system, in particular by reviewing corporate taxation and the local trade tax, modernise the tax administration and review the regulatory framework for venture capital. Step up measures to stimulate competition in the services sector, in particular in business services and regulated professions.</p>
	<p>3. Increase incentives for later retirement and reduce disincentives to work for second earners. Reduce the high tax wedge for low wage earners and facilitate the transition from mini jobs to standard employment.</p>	<p>3. Increase incentives for later retirement and reduce disincentives to work for second earners. Reduce the high tax wedge for low wage earners and facilitate the transition from mini-jobs to standard employment.</p>


<b>EE</b> 	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><a href="#">Country Specific Recommendations 2016</a></u> <b>SGP: - and MIP: -</b>	<u><a href="#">Council Draft Recommendation(s)</a></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. Ensure the provision and accessibility of high quality public services, especially social services, at local level, inter alia by adopting and implementing the proposed local government reform. Adopt and implement measures to narrow the gender pay gap, including those foreseen in the Welfare Plan.</p> <p>2. Promote private investment in research, development and innovation, including by strengthening cooperation between academia and businesses.</p>	<p>1. Ensure the provision and accessibility of high quality public services, especially social services, at local level, inter alia by adopting and implementing the proposed local government reform. Adopt and implement measures to narrow the gender pay gap, including those foreseen in the Welfare Plan.</p> <p>2. Promote private investment in research, development and innovation, including by strengthening cooperation between academia and businesses.</p>

 <b>IE</b>	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><b>Country Specific Recommendations 2016</b></u> <b>SGP: CSR 1 and MIP: CSR 1, 3</b>	<u><b>Council Draft Recommendation(s)</b></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. Following the correction of the excessive deficit, achieve an annual fiscal adjustment of 0.6 % of GDP towards the medium-term budgetary objective in 2016 and in 2017. Use windfall gains from strong economic and financial conditions, as well as from asset sales, to accelerate debt reduction. Reduce vulnerability to economic fluctuations and shocks, inter alia by broadening the tax base. Enhance the quality of expenditure, particularly by increasing cost-effectiveness of healthcare and by prioritising government capital expenditure in R&amp;D and in public infrastructure, in particular transport, water services and housing.</p>	<p>1. Following the correction of the excessive deficit, achieve an annual fiscal adjustment of 0.6 % of GDP towards the medium-term budgetary objective in 2016 and in 2017. Use windfall gains from strong economic and financial conditions, as well as from asset sales, to accelerate debt reduction. Reduce vulnerability to economic fluctuations and shocks, inter alia by broadening the tax base. Enhance the quality of expenditure, particularly by increasing cost-effectiveness of healthcare and by prioritising government capital expenditure in R&amp;D and in public infrastructure, in particular transport, water services and housing.</p>
	<p>2. Expand and accelerate the implementation of activation policies to increase the work intensity of households and address the poverty risk of children. Pursue measures to incentivise employment by tapering the withdrawal of benefits and supplementary payments. Improve the provision of quality, affordable full-time childcare.</p>	<p>2. Expand and accelerate the implementation of activation policies to increase the work intensity of households and address the poverty risk of children. Pursue measures to incentivise employment by tapering the withdrawal of benefits and supplementary payments. Improve the provision of quality, affordable full-time childcare.</p>
	<p>3. Finalise durable restructuring solutions to lower non-performing loans, to ensure debt sustainability of households and to encourage lenders to reduce the debt of excessively leveraged yet viable businesses. Accelerate the phasing-in of a fully operational central credit registry covering all categories of lenders and debtors.</p>	<p>3. Finalise durable restructuring solutions to lower non-performing loans, to ensure debt sustainability of households and to encourage lenders to reduce the debt of excessively leveraged yet viable businesses. Accelerate the phasing-in of a fully operational central credit registry covering all categories of lenders and debtors.</p>




<p><b>EL</b></p> 	<p><b>Commission Recommendation(s) as proposed on 18 May 2016</b></p>	<p><b>Council Draft Recommendation(s) as approved by the Council on 17 June 2016</b></p>
	<p>To avoid duplication with measures set out in the <a href="#">Economic Adjustment Programme</a>, there are no additional recommendations for Greece.</p>	<p>To avoid duplication with measures set out in the <a href="#">Economic Adjustment Programme</a>, there are no additional recommendations for Greece.</p>


<p>ES</p> 	<p>Commission Recommendation(s) as proposed on 18 May 2016  <u>Country Specific Recommendations 2016</u>            SGP: CSR 1 and MIP: CSR 1, 2, 3, 4</p>	<p><u>Council Draft Recommendation(s)</u>            as approved by the Council on 17 June 2016</p>
	<p>1. Ensure a durable correction of the excessive deficit by 2017, reducing the general government deficit to 3.7% of GDP in 2016 and to 2.5% of GDP in 2017, by taking the necessary structural measures and by using all windfall gains for deficit and debt reduction. This is consistent with an improvement in the structural balance of 0.25% of GDP in 2016 and of 0.5% of GDP in 2017. Implement at all government levels the tools set out in the fiscal framework law. Enhance control mechanisms for public procurement and coordination of procurement policies across government levels.</p> <p>2. Take further measures to improve labour market integration, by focusing on individualised support and strengthening the effectiveness of training measures. Enhance the capacity of regional employment services and reinforce their coordination with social services. Address gaps and disparities in minimum income schemes and improve family support schemes, including access to quality child-care and long-term care.</p> <p>3. Take further measures to improve the labour market relevance of tertiary education, including by providing incentives for cooperation between universities, firms and research. Increase performance-based funding of public research bodies and universities and foster R&amp;I investment by the private sector.</p> <p>4. Accelerate the implementation of the law on market unity at regional level. Ensure implementation by the autonomous regions of the reform measures adopted for the retail sector. Adopt the planned reform on professional services and associations.</p>	<p>1. [Ensure a durable correction of the excessive deficit by 2017, reducing the general government deficit to 3,7 % of GDP in 2016 and to 2,5 % of GDP in 2017, by taking the necessary structural measures and by using all windfall gains for deficit and debt reduction. This is consistent with an improvement in the structural balance of 0,25 % of GDP in 2016 and of 0,5 % of GDP in 2017. Implement at all government levels the tools set out in the fiscal framework law. Enhance control mechanisms for public procurement and coordination of procurement policies across government levels.]</p> <p>2. Take further measures to improve labour market integration, by focusing on individualised support and strengthening the effectiveness of training measures. Enhance the capacity of regional employment services and reinforce their coordination with social services. Address gaps and disparities in minimum income schemes and improve family support schemes, including access to quality <del>child-care</del> childcare and long-term care.</p> <p>3. Take further measures to improve the labour market relevance of tertiary education, including by <del>providing incentives for</del> incentivising cooperation between universities, firms and research institutions. Increase performance-based funding of public research bodies and universities and foster R&amp;I investment by the private sector.</p> <p>4. Accelerate the implementation of the law on market unity at regional level. Ensure implementation by the autonomous regions of the reform measures adopted for the retail sector. Adopt the planned reform on professional services and associations.</p>

 FR	<p align="center"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><b>Country Specific Recommendations 2016</b></u>  <b>SGP: CRS 1 and MIP: CSR 1, 2, 3, 4, 5</b></p>	<p align="center"><u><b>Council Draft Recommendation(s)</b></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Ensure a durable correction of the excessive deficit by 2017 by taking the required structural measures and by using all windfall gains for deficit and debt reduction. Specify the expenditure cuts planned for the coming years and step up efforts to increase the amount of savings generated by the spending reviews, including on local government spending, by the end of 2016. Reinforce independent public policy evaluations in order to identify efficiency gains across all sub-sectors of general government.</p> <p>2. Ensure that the labour cost reductions are sustained and that minimum wage developments are consistent with job creation and competitiveness. Reform the labour law to provide more incentives for employers to hire on open-ended contracts.</p> <p>3. Improve the links between the education sector and the labour market, in particular by reforming apprenticeship and vocational training, with emphasis on the low-skilled. By the end of 2016, take action to reform the unemployment benefit system in order to bring the system back to budgetary sustainability and to provide more incentives to return to work.</p> <p>4. Remove barriers to activity in the services sector, in particular in business services and regulated professions. Take steps to simplify and improve the efficiency of innovation policy schemes. By the end of 2016, further reform the size-related criteria in regulations that impede companies' growth and continue to simplify companies' administrative, fiscal and accounting rules by pursuing the simplification programme.</p>	<p>1. Ensure a durable correction of the excessive deficit by 2017 by taking the required structural measures and by using all windfall gains for deficit and debt reduction. Specify the expenditure cuts planned for the coming years and step up efforts to increase the amount of savings generated by the spending reviews, including on local government spending, by the end of 2016. Reinforce independent public policy evaluations in order to identify efficiency gains across all sub-sectors of general government.</p> <p>2. Ensure that the labour cost reductions are sustained and that minimum wage developments are consistent with job creation and competitiveness. Reform the labour law to provide more incentives for employers to hire on open-ended contracts.</p> <p>3. Improve the links between the education sector and the labour market, in particular by reforming apprenticeship-apprenticeships and vocational training, with emphasis on the low-skilled. By the end of 2016, take action to reform the unemployment benefit system in order to bring the system back to budgetary sustainability and to provide more incentives to return to work.</p> <p>4. Remove barriers to activity in the services sector, in particular in business services and regulated professions. Take steps to simplify and improve the efficiency of innovation policy schemes. By the end of 2016, further reform the size-related criteria in regulations that impede companies' growth and continue to simplify companies' administrative, fiscal and accounting rules by pursuing the simplification programme.</p>

	<p>5. Take action to reduce the taxes on production and the corporate income statutory rate while broadening the tax base on consumption, in particular as regards VAT. Remove inefficient tax expenditures, remove taxes that are yielding little or no revenue and adopt the withholding personal income tax reform by the end of 2016.</p>	<p>5. Take action to reduce the taxes on production and the corporate income statutory rate while broadening the tax base on consumption, in particular as regards VAT. Remove inefficient tax expenditures, remove taxes that are yielding little or no revenue and adopt the withholding personal income tax reform by the end of 2016.</p>
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	<p align="center"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><b>Country Specific Recommendations 2016</b></u>  <b>SGP: CSR 1 and MIP: CSR 1, 2, 3, 4, 5</b></p>	<p align="center"><u><b>Council Draft Recommendation(s)</b></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Ensure a durable correction of the excessive deficit by 2016. Thereafter, achieve an annual fiscal adjustment of at least 0.6% of GDP in 2017. Use any windfall gains to accelerate the reduction of the general government debt ratio. By September 2016, reinforce numerical fiscal rules and strengthen the independence and the mandate of the Fiscal Policy Commission. By the end of 2016, improve budgetary planning and strengthen the multi-annual budgetary framework. By the end of 2016, start a reform of recurrent taxation of immovable property. Reinforce the framework for public debt management. Adopt and start implementing a debt management strategy for 2016-2018.</p> <p>2. By the end of 2016, take measures to discourage early retirement, accelerate the transition to the higher statutory retirement age and align pension provisions for specific categories with the rules of the general scheme. Provide appropriate up- and re-skilling measures to enhance the employability of the working-age population, with a focus on the low-skilled and the long-term unemployed. Consolidate social protection benefits by reducing special schemes, aligning eligibility criteria, integrating their administration, and focus support on those most in need.</p> <p>3. By the end of 2016, start reducing fragmentation and improving the functional distribution of competencies in public administration to improve efficiency and reduce territorial disparities in the delivery of public services. In consultation with social partners, harmonise the wage-setting frameworks across the public administration and public services. Reinforce the monitoring of state-owned enterprises' performance and boards' accountability. Advance the listing of shares of state-owned companies and the divestment process of state assets.</p>	<p>1. Ensure a durable correction of the excessive deficit by 2016. Thereafter, achieve an annual fiscal adjustment of at least 0,6 % of GDP in 2017. Use any windfall gains to accelerate the reduction of the general government debt ratio. By September 2016, reinforce numerical fiscal rules and strengthen the independence and the mandate of the Fiscal Policy Commission. By the end of 2016, improve budgetary planning and strengthen the multi-annual budgetary framework. By the end of 2016, start a reform of recurrent taxation of immovable property. Reinforce the framework for public debt management. Adopt and start implementing a debt management strategy for 2016-2018.</p> <p>2. By the end of 2016, take measures to discourage early retirement, accelerate the transition to the higher statutory retirement age, and align pension provisions for specific categories with the rules of the general scheme. Provide appropriate up- and re-skilling measures to enhance the employability of the working-age population, with a focus on the low-skilled and the long-term unemployed. Consolidate social protection benefits, <del>by reducing</del> including special schemes, <del>by aligning</del> eligibility criteria and integrating their administration, and focus support on those most in need.</p> <p>3. By the end of 2016, start reducing fragmentation and improving the functional distribution of competencies in public administration to improve efficiency and reduce territorial disparities in the delivery of public services. In consultation with social partners, harmonise the wage-setting frameworks across the public administration and public services. <del>Reinforce</del> Advance the divestment process of state assets and reinforce the monitoring of state-owned enterprises' performance</p>

		and boards' accountability. <del>Advance</del> , including by advancing the listing of shares of state-owned companies.
	4. Significantly reduce parafiscal charges. Remove unjustified regulatory restrictions hampering access to and the practice of regulated professions. Reduce the administrative burden on businesses.	4. Significantly reduce parafiscal charges. Remove unjustified regulatory restrictions hampering access to and the practice of regulated professions. Reduce the administrative burden on businesses.
	5. Take measures to improve the quality and efficiency of the judicial system in commercial and administrative courts. Facilitate the resolution of non-performing loans, in particular by improving the tax treatment of the resolution of non-performing loans.	5. Take measures to improve the quality and efficiency of the judicial system in commercial and administrative courts. Facilitate the resolution of non-performing loans, in particular by improving the tax treatment of the resolution of non-performing loans.


 <b>IT</b>	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><a href="#">Country Specific Recommendations 2016</a></u> <b>SGP: CSR 1 and MIP: CSR 1, 2, 3, 4, 5</b>	<u><a href="#">Council Draft Recommendation(s)</a></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. In 2016, limit the temporary deviation from the required 0.5% of GDP adjustment towards the medium-term budgetary objective to the amount of 0.75% of GDP allowed for investments and the implementation of structural reforms, subject to the condition of resuming the adjustment path towards the medium-term budgetary objective in 2017. Achieve an annual fiscal adjustment of at least 0.6% of GDP towards the medium-term budgetary objective in 2017. Accelerate the implementation of the privatisation programme and use the windfall gains to accelerate the reduction of the general government debt ratio. Shift the tax burden from productive factors onto consumption and property. Reduce the number and scope of tax expenditures and complete the reform of the cadastral system by mid-2017. Take measures to improve tax compliance, including through electronic invoicing and payments.</p> <p>2. Implement the reform of the public administration by adopting and implementing all necessary legislative decrees, in particular those reforming local public enterprises, local public services and the management of human resources. Step up the fight against corruption by revising the statute of limitations by the end of 2016. Reduce the length of civil justice proceedings by enforcing reforms and through effective case-management.</p> <p>3. Accelerate the reduction in the stock of non-performing loans, including by further improving the framework for insolvency and debt collection. Swiftly complete the implementation of ongoing corporate governance reforms in the banking sector.</p>	<p>1. In 2016, limit the temporary deviation from the required 0,5 % of GDP adjustment towards the medium-term budgetary objective to the amount of 0,75 % of GDP allowed for investments and the implementation of structural reforms, subject to the condition of resuming the adjustment path towards the medium-term budgetary objective in 2017. Achieve an annual fiscal adjustment of <del>at least 0,6%</del> <b>at least 0,6% % or more</b> of GDP towards the medium-term budgetary objective in 2017. <del>Accelerate</del> <b>Finalise</b> the reform of the budgetary process in the course of 2016 and ensure that the spending review is an integral part of it. Ensure the <b>timely</b> implementation of the privatisation programme and use the windfall gains to accelerate the reduction of the general government debt ratio. Shift the tax burden from productive factors onto consumption and property. Reduce the number and scope of tax expenditures and complete the reform of the cadastral system by mid-2017. Take measures to improve tax compliance, including through electronic invoicing and payments.</p> <p>2. Implement the reform of the public administration by adopting and implementing all necessary legislative decrees, in particular those reforming <del>local public</del> <b>publicly-owned</b> enterprises, local public services and the management of human resources. Step up the fight against corruption <b>including</b> by revising the statute of limitations by the end of 2016. Reduce the length of civil justice proceedings by enforcing reforms and through effective case-management.</p> <p>3. Accelerate the reduction in the stock of non-performing loans, including by further improving the framework for insolvency and debt collection. Swiftly complete the implementation of ongoing corporate governance reforms in the banking sector.</p>


	<p>4. Implement the reform of active labour market policies, in particular by strengthening the effectiveness of employment services. Facilitate the take-up of work for second earners. Adopt and implement the national antipoverty strategy and review and rationalise social spending.</p>	<p>4. Implement the reform of active labour market policies, in particular by strengthening the effectiveness of employment services. Facilitate the take-up of work for second earners. Adopt and implement the national antipoverty strategy and review and rationalise social spending.</p>
	<p>5. Swiftly adopt and implement the pending law on competition. Take further action to increase competition in regulated professions, the transport, health and retail sectors and the system of concessions.</p>	<p>5. Swiftly adopt and implement the pending law on competition. Take further action to increase competition in regulated professions, the transport, health and retail sectors and the system of concessions.</p>





	<p style="text-align: center;"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><b>Country Specific Recommendations 2016</b></u>  <b>SGP: CSR 1 and MIP: CSR 1, 2, 3, 4, 5</b></p>	<p style="text-align: center;"><u><b>Council Draft Recommendation(s)</b></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Following the correction of the excessive deficit, respect the medium-term budgetary objective in 2016 and in 2017. By the end of 2016, adopt a binding mechanism containing the growth rate of the compensation of public employees. By the end of 2016, adopt the horizontal reform of the public administration and the law on the governance of state-owned entities, and implement the reform of local governments. By the end of 2016, adopt the secondary legislation to complete the new budgetary framework.</p> <p>2. By June 2017, eliminate impediments to the full implementation of the insolvency and foreclosure frameworks and ensure adequate resources for the Insolvency Service. Ensure reliable and swift systems for the issuance of title deeds and the transfer of immovable property rights. Increase the efficiency and capacity of the court system. Reform the civil procedure law.</p> <p>3. By the end of 2016, take measures to ensure a decline in non-performing loans and accurate valuations of collateral for provisioning purposes. Increase the range of information available for creditors to make the credit registry fully operational.</p> <p>4. Remove impediments to investment, notably by implementing the action plan for growth, pursuing the privatisation plan and strengthening the national regulatory authorities. Take measures to increase access to finance for small and medium-sized enterprises.</p>	<p>1. Following the correction of the excessive deficit, respect the medium-term budgetary objective in 2016 and in 2017. By the end of 2016, adopt a binding mechanism containing the growth rate of the compensation of public employees. By the end of 2016, adopt the horizontal reform of the public administration and the law on the governance of state-owned entities, and implement the reform of local governments. By the end of 2016, adopt the secondary legislation to complete the new budgetary framework.</p> <p>2. By June 2017, eliminate impediments to the full implementation of the insolvency and foreclosure frameworks and ensure adequate resources for the Insolvency Service. Ensure reliable and swift systems for the issuance of title deeds and the transfer of immovable property rights. Increase the efficiency and capacity of the court system. Reform the civil procedure law.</p> <p>3. By the end of 2016, take additional measures to ensure a decline in non-performing loans and accurate valuations of collateral for provisioning purposes. Increase the range of information available for creditors and enhance the information currently provided to make the credit registry fully operational effective.</p> <p>4. Remove impediments to investment, notably in particular by implementing the action plan for growth, pursuing the privatisation plan and strengthening the national regulatory authorities. Take measures to increase access to finance for small and medium-sized enterprises.</p>


	<p>5. Enhance the capacity of the public employment services and their provision to the long-term unemployed; improve outreach to the non-registered unemployed. Adopt legislation for a hospital reform and advance with the planned implementation of universal health care coverage.</p>	<p>5. Enhance the capacity of the public employment services and their provision to the long-term unemployed; improve outreach to the non-registered unemployed. Adopt legislation for a hospital reform and advance with the planned implementation of universal health care coverage.</p>
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<b>LV</b> 	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><b>Country Specific Recommendations 2016</b></u> <b>SGP: CSR 1 and MIP: -</b>	<u><b>Council Draft Recommendation(s)</b></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. Ensure that the deviation from the adjustment path towards the medium-term budgetary objective in 2016 and 2017 is limited to the allowance linked to the systemic pension reform and the major structural reform in the healthcare sector. Reduce the tax wedge for low-income earners by exploiting a growth-friendly tax shift towards environmental and property taxes and improving tax compliance.</p>	<p>1. Ensure that the deviation from the adjustment path towards the medium-term budgetary objective in 2016 and 2017 is limited to the allowance linked to the systemic pension reform and the major structural reform in the healthcare sector. Reduce the tax wedge for low-income earners by exploiting a growth-friendly tax shift towards environmental and property taxes and improving tax compliance.</p>
	<p>2. Improve the adequacy of social assistance benefits and step up measures supporting recipients in finding and retaining work, including through increased coverage of activation measures. Speed up the curricula reform in vocational education, establish with the involvement of social partners a regulatory framework for apprenticeship-type schemes and increase their offer. Improve the accessibility, quality and cost-effectiveness of the healthcare system.</p>	<p>2. Improve the adequacy of social assistance benefits and step up measures supporting recipients in finding and retaining work, including through increased coverage of activation measures. Speed up the curricula reform in vocational education, establish – with the involvement of social partners – a regulatory framework for <del>apprenticeship-type schemes</del> <b>work-based learning</b> and increase their offer. Improve the accessibility, quality and cost-effectiveness of the healthcare system.</p>
	<p>3. Pursue the consolidation of research institutions and provide incentives for private investment in innovation. Strengthen the conflict of interest prevention regime and set up a common legal framework for all public employees. Increase the accountability and public oversight of insolvency administrators.</p>	<p>3. Pursue the consolidation of research institutions and provide incentives for private investment in innovation. Strengthen the conflict of interest prevention regime and set up a common legal framework for all public employees. Increase the accountability and public oversight of insolvency administrators.</p>

 <b>LT</b>	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><b>Country Specific Recommendations 2016</b></u> <b>SGP: CSR 1 and MIP: -</b>	<u><b>Council Draft Recommendation(s)</b></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. Ensure that the deviation from the medium-term budgetary objective is limited to the allowance linked to the systemic pension reform in 2016 and in 2017. Reduce the tax burden on low-income earners by shifting the tax burden to other sources less detrimental to growth and improve tax compliance, in particular in the area of VAT.</p> <p>2. Strengthen investment in human capital and address skills shortages, by improving the labour market relevance of education, raising the quality of teaching and pursuing more active labour market policies and adult learning. Strengthen the role of social dialogue mechanisms. Improve the performance of the healthcare system by strengthening outpatient care, disease prevention and health promotion. Improve the coverage and adequacy of unemployment benefits and social assistance.</p> <p>3. Take measures to strengthen productivity and improve the adoption and absorption of new technology across the economy. Improve the coordination of innovation policies and encourage private investment, <i>inter alia</i> by developing alternative means of financing.</p>	<p>1. Ensure that the deviation from the medium-term budgetary objective is limited to the allowance linked to the systemic pension reform in 2016 and in 2017. Reduce the tax burden on low-income earners by shifting the tax burden to other sources less detrimental to growth and improve tax compliance, in particular in the area of VAT.</p> <p>2. Strengthen investment in human capital and address skills shortages, by improving the labour market relevance of education, raising the quality of teaching and pursuing more active labour market policies and adult learning. Reinforce the coverage and effectiveness of active labour market policies. Strengthen the role of social dialogue mechanisms. Improve the performance of the healthcare system by strengthening outpatient care, disease prevention and health promotion. Improve the coverage and adequacy of unemployment benefits and social assistance.</p> <p>3. Take measures to strengthen productivity and improve the adoption and absorption of new technology across the economy. Improve the coordination of innovation policies and encourage private investment, <i>inter alia</i> by developing alternative means of financing.</p>


<p>LU</p> 	<p>Commission Recommendation(s) as proposed on 18 May 2016  <u>Country Specific Recommendations 2016</u>            SGP: - and MIP: -</p>	<p><u>Council Draft Recommendation(s)</u>            as approved by the Council on 17 June 2016</p>
	<p>1. Ensure the long-term sustainability of public pensions by further limiting early retirement, by linking the statutory retirement age to life expectancy and by increasing incentives to work longer.</p> <p>2. Remove barriers to investment and innovation that limit economic development in the business services sector. Address bottlenecks that hamper housing investment.</p>	<p>1. Ensure the long-term sustainability of public pensions by further increasing the effective retirement age, by limiting early retirement, by linking and increasing incentives to work longer, and by aligning the statutory retirement age to changes in life expectancy and by increasing incentives to work longer.</p> <p>2. Remove barriers to investment and innovation that limit economic development in the business services sector. Address bottlenecks that hamper housing investment.</p>


 <b>HU</b>	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><b>Country Specific Recommendations 2016</b></u> <b>SGP: CSR 1 and MIP: -</b>	<u><b>Council Draft Recommendation(s)</b></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. In view of the high risk of a significant deviation, achieve an annual fiscal adjustment of 0.3 % of GDP towards the medium-term budgetary objective in 2016 and of 0.6 % of GDP in 2017, unless the medium-term budgetary objective is respected with a lower effort, by taking the necessary structural measures.</p> <p>2. Further reduce sector-specific taxes and reduce the tax wedge for low-income earners. Strengthen transparency and competition in public procurement through e-procurement, increased publication of tenders and further improvement of the anti-corruption framework. Improve the regulatory environment in the services sector and in the retail sector by addressing restrictive regulations and ensuring predictability.</p> <p>3. Facilitate the transition from the public works scheme to the primary labour market and reinforce other active labour market policies. Improve the adequacy and coverage of social assistance and unemployment benefits. Take measures to improve educational outcomes and to increase the participation of disadvantaged groups, in particular Roma, in inclusive mainstream education.</p>	<p>1. In view of the high risk of a significant deviation, achieve an annual fiscal adjustment of 0,3 % of GDP towards the medium-term budgetary objective in 2016 and of 0,6 % of GDP in 2017, unless the medium-term budgetary objective is respected with a lower effort, by taking the necessary structural measures.</p> <p>2. Further reduce sector-specific taxes and reduce the tax wedge for low-income earners. Strengthen transparency and competition in public procurement through e-procurement, increased publication of tenders and further improvement of the anti-corruption framework. Improve the regulatory environment in the services sector and in the retail sector by addressing restrictive regulations and ensuring predictability.</p> <p>3. Facilitate the transition from the public works scheme to the primary labour market and reinforce other active labour market policies. Improve the adequacy and coverage of social assistance and unemployment benefits. Take measures to improve educational outcomes and to increase the participation of disadvantaged groups, in particular Roma, in inclusive mainstream education.</p>


<p>MT</p> 	<p>Commission Recommendation(s) as proposed on 18 May 2016  <u>Country Specific Recommendations 2016</u>            SGP: CSR 1 and MIP: -</p>	<p><u>Council Draft Recommendation(s)</u>            as approved by the Council on 17 June 2016</p>
	<p>1. In view of the high risk of a significant deviation, achieve an annual fiscal adjustment of 0.6 % of GDP towards the medium-term budgetary objective in 2016 and in 2017, by taking the necessary structural measures. Step up measures to ensure the long-term sustainability of public finances.</p> <p>2. Take measures to strengthen labour supply, notably through increased participation of low-skilled persons in lifelong learning.</p>	<p>1. In view of the high risk of a significant deviation, achieve an annual fiscal adjustment of 0,6 % of GDP towards the medium-term budgetary objective in 2016 and in 2017, by taking the necessary structural measures. Step up measures to ensure the long-term sustainability of public finances.</p> <p>2. Take measures to strengthen labour supply, notably in particular through increased participation of low-skilled persons in lifelong learning.</p>

	<p align="center"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><b>Country Specific Recommendations 2016</b></u>  <b>SGP: CSR 1 and MIP: CSR 3</b></p>	<p align="center"><u><b>Council Draft Recommendation(s)</b></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Limit the deviation from the medium-term budgetary objective in 2016 and achieve an annual fiscal adjustment of 0.6 % of GDP in 2017. Prioritise public expenditure towards supporting more investment in research and development.</p>	<p>1. Limit the deviation from the medium-term budgetary objective in 2016 and achieve an annual fiscal adjustment of 0.6 % of GDP in 2017. Prioritise public expenditure towards supporting more investment in research and development.</p>
	<p>3. Take measures to make the second pillar of the pension system more transparent, inter-generationally fairer and more resilient to shocks. Take measures to reduce the remaining distortions in the housing market and the debt bias for households, in particular by decreasing mortgage interest tax deductibility.</p>	<p>2. Tackle remaining barriers to hiring staff on permanent contracts and facilitate the transition from temporary to permanent contracts. Address the high increase in self-employed without employees, including by reducing tax distortions favouring self-employment, without compromising entrepreneurship, and by promoting access of the self-employed to affordable social protection.</p>
	<p>2. Tackle remaining barriers to hiring staff on permanent contracts and facilitate the transition from temporary to permanent contracts. Address the high increase in self-employed without employees, including by reducing tax distortions favouring self-employment, without compromising entrepreneurship, and by promoting access of the self-employed to affordable social protection.</p>	<p>3. Take measures to make the second pillar of the pension system more transparent, inter-generationally fairer and more resilient to shocks. Take measures to reduce the remaining distortions in the housing market and the debt bias for households, in particular by decreasing mortgage interest tax deductibility.</p>





<p style="text-align: center;"><b>AT</b></p> 	<p style="text-align: center;"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><a href="#">Country Specific Recommendations 2016</a></u>  <b>SGP: CSR 1 and MIP: -</b></p>	<p style="text-align: center;"><u><a href="#">Council Draft Recommendation(s)</a></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Ensure that the deviation from the medium-term budgetary objective in 2016 and in 2017 is limited to the allowance linked to the budgetary impact of the exceptional inflow of refugees in 2015, and to that effect achieve an annual fiscal adjustment of 0.3% of GDP in 2017 unless the medium-term budgetary objective is respected with a lower effort. Ensure the sustainability of the healthcare system; and of the pension system by linking the statutory pension age to life expectancy. Simplify, rationalise and streamline fiscal relations and responsibilities across the various layers of government.</p> <p>2. Improve the labour market participation of women. Take steps to improve the educational achievements of disadvantaged young people, in particular those from a migrant background.</p> <p>3. Reduce administrative and regulatory barriers for investments, such as restrictive authorisation requirements and restrictions on legal form and shareholding, and impediments to setting up interdisciplinary companies, in particular in the area of services.</p>	<p>1. Ensure that the deviation from the medium-term budgetary objective in 2016 and in 2017 is limited to the allowance linked to the budgetary impact of the exceptional inflow of refugees in 2015, and to that effect achieve an annual fiscal adjustment of 0,3 % of GDP in 2017 unless the medium-term budgetary objective is respected with a lower effort. Ensure the sustainability of the healthcare system, and of the pension system by linking the statutory pension age to life expectancy. Simplify, rationalise and streamline fiscal relations and responsibilities across the various layers of government.</p> <p>2. Improve the labour market participation of women. Take steps to improve the educational achievements of disadvantaged young people, in particular those from a migrant background.</p> <p>3. Reduce, in the area of services, administrative and regulatory barriers for investments, such as restrictive authorisation requirements and restrictions on legal form and shareholding, and impediments to setting up interdisciplinary companies, in particular in the area of services.</p>


<p><b>PL</b></p> 	<p><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><b>Country Specific Recommendations 2016</b></u>  <b>SGP: CSR 1 and MIP: -</b></p>	<p><u><b>Council Draft Recommendation(s)</b></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Achieve an annual fiscal adjustment of 0.5% of GDP towards the medium-term budgetary objective in 2016 and in 2017. Strengthen the fiscal framework, including by establishing an independent fiscal council. Improve tax collection by ensuring better VAT compliance, and limit the extensive use of reduced VAT rates.</p>	<p>1. Achieve an annual fiscal adjustment of 0,5 % of GDP towards the medium-term budgetary objective in 2016 and in 2017. Strengthen the fiscal framework, including by establishing an independent fiscal council. Improve tax collection by ensuring better VAT compliance, and limit the extensive use of reduced VAT rates.</p>
	<p>2. Ensure the sustainability and adequacy of the pension system and increase participation in the labour market, by starting to reform the preferential pension arrangements, removing obstacles to more permanent types of employment and improving the labour market-relevance of education and training.</p>	<p>2. Ensure the sustainability and adequacy of the pension system and increase participation in the labour market, by starting to reform the preferential pension arrangements, removing obstacles to more permanent types of employment and improving the labour market-relevance of education and training.</p>
	<p>3. Take measures to remove obstacles to investment in transport, construction and energy infrastructure, and increase the coverage of spatial planning at local level.</p>	<p>3. Take measures to remove obstacles to investment in transport, construction and energy infrastructure, and increase the coverage of spatial planning at local level.</p>


<p>PT</p> 	<p>Commission Recommendation(s) as proposed on 18 May 2016  <u>Country Specific Recommendations 2016</u>            SGP: CSR 1 and MIP: CSR 1, 2, 3, 4, 5</p>	<p><u>Council Draft Recommendation(s)</u>            as approved by the Council on 17 June 2016</p>
	<p>1. Ensure a durable correction of the excessive deficit by 2016, reducing the general government deficit to 2.3% of GDP in 2016, by taking the necessary structural measures and by using all windfall gains for deficit and debt reduction. This is consistent with an improvement in the structural balance of 0.25% of GDP in 2016. Thereafter, achieve an annual fiscal adjustment of at least 0.6% of GDP in 2017. Conduct, by February 2017, a comprehensive expenditure review at all levels of public administration and strengthen expenditure control, cost effectiveness and adequate budgeting. Ensure the long-term sustainability of the health sector, without compromising access to primary healthcare. Reduce the reliance of the pension system on budgetary transfers. By the end of 2016, refocus ongoing restructuring plans of state-owned enterprises.</p>	<p>1. [Ensure a durable correction of the excessive deficit by 2016, reducing the general government deficit to 2,3 % of GDP in 2016, by taking the necessary structural measures and by using all windfall gains for deficit and debt reduction. This is consistent with an improvement in the structural balance of 0,25 % of GDP in 2016. Thereafter, achieve an annual fiscal adjustment of at least 0,6 % of GDP in 2017]. Conduct, by February 2017, a comprehensive expenditure review <del>at all levels of public administration</del> and strengthen expenditure control, cost effectiveness and adequate budgeting <del>at all levels of public administration</del>. Ensure the long-term sustainability of the health sector, without compromising access to primary healthcare. Reduce the reliance of the pension system on budgetary transfers. By the end of 2016, refocus ongoing restructuring plans of state-owned enterprises.</p>
	<p>2. In consultation with social partners, ensure that minimum wages are consistent with the objectives of promoting employment and competitiveness across industries.</p>	<p>2. In consultation with social partners, ensure that <del>the minimum wages</del> <del>wage is</del> consistent with the objectives of promoting employment and competitiveness across <del>industries</del> <del>sectors</del>.</p>
	<p>3. Ensure the effective activation of the long term unemployed and improve the coordination between employment and social services. Strengthen incentives for firms to hire through permanent contracts.</p>	<p>3. Ensure the effective activation of the long-term unemployed and improve the coordination between employment and social services. Strengthen incentives for firms to hire through permanent contracts.</p>
	<p>4. Take measures, by October 2016, to facilitate the cleaning up of the balance sheets of credit institutions and address the high level of non-performing loans. Reduce the debt bias in corporate taxation and improve the access to finance for start-ups and small and medium-sized enterprises via the capital market.</p>	<p>4. Take measures, by October 2016, to facilitate the cleaning up of the balance sheets of credit institutions and address the high level of non-performing loans. Reduce the debt bias in corporate taxation and improve the access to finance for start-ups and small and medium-sized enterprises via the capital market.</p>

	<p>5. Increase transparency and efficiency in public procurement as regards public-private partnerships and concessions. By the end of 2016, improve and accelerate administrative and licensing procedures, accelerate tax litigations and reduce regulatory barriers, especially in business services. Incentivise cooperation between universities and the business sector.</p>	<p>5. Increase transparency and efficiency in public procurement as regards public-private partnerships and concessions. By the end of 2016, improve and accelerate administrative and licensing procedures, accelerate tax litigations and reduce regulatory barriers, especially in business services. Incentivise cooperation between universities and the business sector.</p>
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 <b>RO</b>	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><a href="#">Country Specific Recommendations 2016</a></u> <b>SGP: CSR 1 and MIP: -</b>	<u><a href="#">Council Draft Recommendation(s)</a></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. Limit the deviation from the medium-term budgetary objective in 2016 and achieve an annual fiscal adjustment of 0.5 % of GDP in 2017 unless the medium-term budgetary objective is respected with a lower effort. Ensure the application of the fiscal framework and strengthen further tax compliance and collection. Ensure that legislative initiatives do not undermine legal certainty and do not put at risk financial stability. If necessary, adopt measures that mitigate such risks.</p> <p>2. Strengthen the National Employment Agency's services to employers and jobseekers, in particular by tailoring services to jobseeker profiles, better linking them with social services and reaching out to unregistered young people. Establish, in consultation with social partners, objective criteria for setting the minimum wage. Take action to prevent early school leaving and increase the provision of quality education, in particular among Roma. Adopt the equalisation of the pension age for men and women.</p> <p>3. Curb informal payments in the healthcare system and increase the availability of outpatient care. Strengthen the independence and transparency of human resources management in the public administration. Simplify administrative procedures for business and the public. Strengthen corporate governance of state-owned enterprises.</p> <p>4. Improve access to integrated public services, extend basic infrastructure and foster economic diversification, in particular in rural areas. Adopt and implement the transport master plan. Strengthen public investment project prioritisation and preparation.</p>	<p>1. Limit the deviation from the medium-term budgetary objective in 2016 and achieve an annual fiscal adjustment of 0.5 % of GDP in 2017 unless the medium-term budgetary objective is respected with a lower effort. Ensure the application of the fiscal framework and strengthen further tax compliance and collection. Ensure that legislative initiatives do not undermine legal certainty and do not put at risk financial stability. If necessary, adopt measures that mitigate such risks.</p> <p>2. Strengthen the National Employment Agency's services to employers and jobseekers, in particular by tailoring services to jobseeker profiles, better linking them with social assistance, including social services, and reaching out to unregistered young people. Establish, in consultation with social partners, objective criteria for setting the minimum wage. Take action to prevent early school leaving and increase the provision of quality education, in particular among Roma. Adopt the equalisation of the pension age for men and women.</p> <p>3. Curb informal payments in the healthcare system and increase the availability of outpatient care. Strengthen the independence and transparency of human resources management in the public administration. Simplify administrative procedures for business and the public. Strengthen corporate governance of state-owned enterprises.</p> <p>4. Improve access to integrated public services, extend basic infrastructure and foster economic diversification, in particular in rural areas. Adopt and implement the transport master plan. Strengthen public investment project prioritisation and preparation.</p>


 <b>SI</b>	<b>Commission Recommendation(s) as proposed on 18 May 2016</b> <u><b>Country Specific Recommendations 2016</b></u> <b>SGP: CSR 1 and MIP: CSR 1, 3, 4</b>	<u><b>Council Draft Recommendation(s)</b></u> <b>as approved by the Council on 17 June 2016</b>
	<p>1. Following the correction of the excessive deficit, achieve an annual fiscal adjustment of 0.6% of GDP towards the medium-term budgetary objective in 2016 and in 2017. Set a medium-term budgetary objective that respects the requirements of the Stability and Growth Pact. Strengthen the fiscal framework by appointing an independent fiscal council and amending the Public Finance Act. Complete and implement the reform of the long-term care and healthcare systems, making them more cost-efficient to ensure long-term sustainability of accessible and quality care. By the end of 2017, adopt the reform of the pension system.</p>	<p>1. Following the correction of the excessive deficit, achieve an annual fiscal adjustment of 0,6 % of GDP towards the medium-term budgetary objective in 2016 and in 2017. Set a medium-term budgetary objective that respects the requirements of the Stability and Growth Pact. Strengthen the fiscal framework by appointing an independent fiscal council and amending the Public Finance Act. Complete and implement the reform of the long-term care and healthcare systems, making them more cost-efficient to ensure long-term sustainability of accessible and quality care. By the end of 2017, adopt the <del>reform</del> necessary measures to ensure the long-term sustainability and adequacy of the pension system.</p>
	<p>2. In consultation with social partners, increase the employability of low-skilled and older workers, including through targeted lifelong learning and activation measures.</p>	<p>2. In consultation with social partners, increase the employability of low-skilled and older workers, including through targeted lifelong learning and activation measures.</p>
	<p>3. Improve the financing conditions for creditworthy business, including by facilitating durable resolution of non-performing loans and access to alternative financing sources. Ensure the proper implementation of the bank asset management company strategy.</p>	<p>3. Improve the financing conditions for creditworthy business, including by facilitating durable resolution of non-performing loans and access to alternative financing sources. Ensure the proper implementation of the bank asset management company strategy.</p>
	<p>4. Take measures to modernise public administration and reduce the administrative burden on business. Improve the governance and the performance of state-owned enterprises.</p>	<p>4. Take measures to modernise public administration and reduce the administrative burden on business. Improve the governance and the performance of state-owned enterprises.</p>


	<p align="center"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><a href="#">Country Specific Recommendations 2016</a></u>  <b>SGP: CSR 1 and MIP: -</b></p>	<p align="center"><u><a href="#">Council Draft Recommendation(s)</a></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Achieve an annual fiscal adjustment of 0.25 % of GDP towards the medium-term budgetary objective in 2016 and of 0.5% of GDP in 2017. Improve the cost-effectiveness of the healthcare system. Take measures to increase tax compliance.</p>	<p>1. Achieve an annual fiscal adjustment of 0,25 % of GDP towards the medium-term budgetary objective in 2016 and of 0,5 % of GDP in 2017. Improve the cost-effectiveness of the healthcare system. Take measures to increase tax compliance.</p>
	<p>2. Improve activation measures for the long-term unemployed and other disadvantaged groups, including individualised services and targeted training. Facilitate the employment of women, in particular by extending the provision of affordable, quality childcare. Improve educational outcomes by making the teaching profession more attractive and by increasing the participation of Roma children from early childhood in mainstream education.</p>	<p>2. Improve activation measures for the long-term unemployed and other disadvantaged groups, including individualised services and targeted training. Facilitate the employment of women, in particular by extending the provision of affordable, quality childcare. Improve educational outcomes by making the teaching profession more attractive and by increasing the participation of Roma children from early childhood in mainstream education.</p>
	<p>3. Consolidate governance, reinforce the shift from price only to quality-based competition and improve the prosecution of illicit practices in public procurement. Improve the transparency, quality and effectiveness of human resources management in public administration, in particular by adopting a new civil service act, and the effectiveness of the justice system. Adopt a comprehensive plan to address administrative and regulatory barriers for businesses.</p>	<p>3. Consolidate governance, reinforce the shift from price only to quality-based competition and improve the prosecution of illicit practices in public procurement. Improve the transparency, quality and effectiveness of human resources management in public administration, in particular by adopting a new civil service act, and the effectiveness of the justice system. Adopt a comprehensive plan to address administrative and regulatory barriers for businesses.</p>

	<p align="center"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><a href="#">Country Specific Recommendations 2016</a></u>  <b>SGP: CSR 1 and MIP: CSR 2, 3</b></p>	<p align="center"><u><a href="#">Council Draft Recommendation(s)</a></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Achieve an annual fiscal adjustment of at least 0.5 % of GDP towards the medium-term budgetary objective in 2016 and 0.6 % in 2017. Use windfall gains to accelerate the reduction of the general government debt ratio. Ensure timely adoption and implementation of the administrative reform with a view to better cost-effectiveness of social and healthcare services.</p> <p>2. While respecting the role of social partners, ensure that the wage setting system enhances local wage bargaining and removes rigidities, contributing to competitiveness and a more export industry-led approach. Increase incentives to accept work and ensure targeted and sufficient active labour market measures, including for people with a migrant background. Take measures to reduce regional and skills mismatches.</p> <p>3. Continue pursuing efforts to increase competition in services, including in retail. Promote entrepreneurship and investment, including by reducing administrative and regulatory burden, to foster growth of high value added production.</p>	<p>1. Achieve an annual fiscal adjustment of at least 0.5 % of GDP towards the medium-term budgetary objective in 2016 and 0.6 % in 2017. Use <b>any</b> windfall gains to accelerate the reduction of the general government debt ratio. Ensure timely adoption and implementation of the administrative reform with a view to better cost-effectiveness of social and healthcare services.</p> <p>2. While respecting the role of social partners, ensure that the wage setting system enhances local wage bargaining and removes rigidities, contributing to competitiveness and a more export industry-led approach. Increase incentives to accept work and ensure targeted and sufficient active labour market measures, including for people with a migrant background. Take measures to reduce regional and skills mismatches.</p> <p>3. Continue pursuing efforts to increase competition in services, including in retail. Promote entrepreneurship and investment, including by reducing administrative and regulatory burden, to foster growth of high value added production.</p>



	<p align="center"><b>Commission Recommendation(s) as proposed on 18 May 2016</b>  <u><a href="#">Country Specific Recommendations 2016</a></u>  <b>SGP: - and MIP: CSR 1</b></p>	<p align="center"><u><a href="#">Council Draft Recommendation(s)</a></u>  <b>as approved by the Council on 17 June 2016</b></p>
	<p>1. Address the rise in household debt by adjusting fiscal incentives, in particular by gradually limiting the tax deductibility of mortgage interest payments or by increasing recurrent property taxes. Ensure that the macro-prudential authority has the legal mandate to implement measures to safeguard financial stability in a timely manner. Foster investment in housing and improve the efficiency of the housing market, including by introducing more flexibility in setting rental prices and by revising the design of the capital gains tax to facilitate more housing transactions.</p>	<p>1. Address the rise in household debt by adjusting fiscal incentives, in particular by gradually limiting the tax deductibility of mortgage interest payments or by increasing recurrent property taxes. Ensure that the macro-prudential authority has the legal mandate to implement measures to safeguard financial stability in a timely manner. Foster investment in housing and improve the efficiency of the housing market, including by introducing more flexibility in setting rental prices and by revising the design of the capital gains tax to facilitate more housing transactions.</p>

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	<p><b>1. Endeavour to correct the excessive deficit in a durable manner by 2016-17.</b> Following the correction of the excessive deficit, achieve a fiscal adjustment of 0.6% of GDP in 2017-18 towards the minimum medium-term budgetary objective.</p> <p><b>2. Address shortfalls in network infrastructure investment,</b> including by delivering the priorities of the National Infrastructure Plan. Take further steps to boost housing supply, including by implementing the reforms of <b>the national planning policy framework.</b></p> <p><b>3. Address skills mismatches and provide for skills progression,</b> including by strengthening the quality of apprenticeships. Further <b>improve the availability of affordable, high-quality, full-time childcare.</b></p>	<p>1. Endeavour to correct the excessive deficit in a durable manner by 2016-17. Following the correction of the excessive deficit, achieve a fiscal adjustment of 0.6 % of GDP in 2017-18 towards the minimum medium-term budgetary objective.</p> <p>2. Address shortfalls in network infrastructure investment, including by delivering the priorities of the National Infrastructure Plan. Take further steps to boost housing supply, including by implementing the reforms of the national planning policy framework.</p> <p>3. Address skills mismatches and provide for skills progression, including by strengthening the quality of apprenticeships. Further improve the availability of affordable, high-quality, full-time childcare.</p>

<p><b>Euro Area</b></p> 	<p><b>Commission Recommendation(s) as proposed on 25 November 2015</b>  <u><a href="#">Country Specific Recommendations 2016</a></u></p>	<p><u><a href="#">Council Recommendation(s)</a></u>  <b>as approved by the Council on 8 March 2016</b></p>
	<p>1. Pursue policies that support the recovery, foster convergence, facilitate the correction of macroeconomic imbalances and improve adjustment capacity. To this end, Member States, particularly those with large stocks of private and foreign debt, should implement reforms that enhance productivity, foster job creation, raise competitiveness and improve the business environment. Member States with large current account surpluses should implement as a priority measures that help channelling excess savings toward the domestic economy and thereby boost domestic investment.</p> <p>2. Implement reforms that combine (i) flexible and reliable labour contracts that promote labour market transitions and avoid a two-tier labour market; (ii) comprehensive lifelong learning strategies; (iii) effective policies to help the unemployed re-enter the labour market, (iv) modern social protection systems that support those in need and provide incentives for labour market integration and, (v) open and competitive product and services markets. Reduce the tax wedge on labour, particularly on low-earners, in a budgetary-neutral way to foster job creation.</p> <p>3. Maintain the planned broadly neutral fiscal stance in 2016. With a view to 2017, reduce public debt to restore fiscal buffers while avoiding pro-cyclicality, in full respect of the Stability and Growth Pact. Differentiate the fiscal effort by individual Member States taking into account their respective position vis-à-vis the requirements under the SGP and their stabilisation needs, as well as spillovers across euro area countries. To this end, discuss the euro area fiscal stance in time</p>	<p>1. Pursue policies that support the recovery, foster convergence, facilitate the <del>correction of</del> correction of macroeconomic imbalances and improve adjustment capacity. To this end, Member States, particularly those with large stocks of private and foreign debt, <del>should</del> <b>are to</b> implement reforms that enhance productivity, foster job creation, raise competitiveness and improve the business environment. Member States with large current account surpluses <del>should</del> <b>are to</b> implement as a priority measures, including structural reforms, that help <del>channelling excess savings toward the</del> strengthen their domestic economy demand and <del>thereby boost domestic investment</del> growth potential.</p> <p>2. Implement reforms that combine: (i) flexible and reliable labour contracts that promote smooth labour market transitions and avoid a two-tier labour market; (ii) comprehensive lifelong learning strategies; (iii) effective policies to help the unemployed re-enter the labour market; (iv) <del>modern</del> adequate and sustainable social protection systems that <del>support those in need and provide incentives for</del> contribute effectively and efficiently throughout the life cycle both to social inclusion and labour market integration; and (v) open and competitive product and services markets. Reduce the tax wedge on labour, particularly on low-earners, in a budgetary-neutral way to foster job creation.</p> <p>3. <del>Maintain the planned</del> Pursue fiscal policies in full respect of the SGP. For 2016, the objective of a broadly neutral aggregate fiscal stance in 2016. <del>With a view</del> the euro area appears appropriate in order to reflect a balance between long-term fiscal sustainability and short-term macroeconomic stabilisation. Looking towards 2017, reduce public debt to restore fiscal buffers <del>while avoiding</del> and avoid pro-cyclicality, <del>in full respect of the Stability and Growth Pact</del>. Differentiate the fiscal effort by individual Member States <del>taking into</del></p>

	for the preparation and presentation of the Stability Programmes and the Draft Budgetary Plans.	account in line with their respective position vis-à-vis positions with regard to the requirements under the SGP and their while considering stabilisation needs, as well as taking into account possible spillovers across euro area countries Member States. To this end, discuss-review the euro area fiscal stance in time for the preparation and presentation of the context of the Draft Budgetary Plans stability programmes and the draft budgetary plans.
	4. Facilitate the gradual reduction of banks' non-performing loans and improve insolvency proceedings for businesses and households. In Member States with large stocks of private debt, promote an orderly deleveraging, including by facilitating the resolution of unviable private debt.	4. Facilitate the gradual reduction of banks' banks' non-performing loans and improve insolvency proceedings for businesses and households. In Member States with large stocks of private debt, promote an orderly deleveraging, including by facilitating the resolution of unviable private debt.
		5. Work towards completing EMU in an open and transparent manner, while fully supporting the internal market, and further exploring the legal, economic and political aspects of the more long-term measures contained in the Five Presidents' Report.

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