[Remarks by Vice-President Dombrovskis at the European Semester Spring Package press conference]

Good afternoon everyone,

Welcome to our press conference on our Spring Economic Package.

It includes country specific recommendations for 27 Member States, so all Member States except Greece, and a number of decisions under the Stability and Growth Pact.

The College has also adopted a Communication on the review of the "flexibility" within the SGP and, last but not least, the biannual Convergence Report.

Europe's economy is growing at its fastest pace in a decade. The growth is set to continue at a robust but slightly slower pace this year and next. Employment is at a record high, investment recovering, public finances improving. However, the risks related to trade protectionism and volatility in global financial markets are looming.

Our main message is: we need to use the current good times to make our economies more resilient. We should strengthen fundamentals for sustainable and inclusive growth. This means structural reforms to tackle weaknesses in our economic and financial systems. It means building fiscal buffers, which would give countries more manoeuvring space in the next downturn and it means investment to lift up our potential.

As regards country specific recommendations many countries still need to improve their business environment and act to open up their product and services markets. Such reforms, if implemented, have a strong potential to attract fresh investment and create more jobs. There is a need for stronger support for innovation. We recommend more efforts to improve education and skills training, including life-long learning. And for some countries, we recommend to strengthen the public administration and good governance, while intensifying the fight against corruption.

A number of countries are asked to improve the sustainability of their health-care and pension systems. This week, we will publish the 2018 Ageing Report. This report states that the fiscal impact of population ageing is set to be a significant challenge in almost all Member States.

Last but not least, the EU proclaimed last year the European Pillar of Social Rights, and we are building on this guidance to keep a special focus on social challenges. Marianne will elaborate on this.

For some countries we also propose to take decisions under the SGP. Pierre will give you details in a minute, so let me report very telegraphically.

Let me congratulate France, as today we recommend abrogating the country from the Excessive Deficit Procedure. Now, it will be important to build on these good results.

This leaves only one Member State Spain under the corrective arm of the Pact under Stability and Growth Pact, down from 24 countries in 2011.

We also adopted our Opinion on the Draft Budgetary Plan for Spain, which was found to be broadly compliant with the Stability and Growth Pact.

We also have two clear-cut cases for significant deviation procedures – this is what we recommend for Romania and Hungary.

Both countries currently are in the preventive arm of SGP and experience a very robust growth, well above the EU average. Yet they lead expansionary policies.

We also adopted reports under Article 126.3 for Italy and Belgium and do not propose to open a debt-based Excessive Deficit Procedures for these countries at this stage.

And finally, on the Convergence Report. The euro was created as the single currency for the whole EU. Therefore euro accession is open for any EU country working towards it.

Joining the euro area is a transparent and rules-based process. The convergence criteria were put in place to ensure countries are ready to adopt the single currency. Our convergence report also looks at the compatibility of national legislation with the EU law. Today's report concludes that at the moment, none of the seven countries examined fulfils all conditions for adopting the euro.However, three of these countries – Bulgaria, Croatia and Sweden – meet all nominal convergence criteria except for the exchange rate stability. And we welcome the current work by the Bulgarian authorities towards the Exchange Rate Mechanism II participation, so to meet also the exchange rate stability criteria.

As I said earlier, we also look at the compatibility of national legislation.Our finding today is thatCroatiais currently the only country where legislation is fully compatible with the compliance duty under the Treaty.

President Juncker has made it very clear: the EU wants to support countries in their efforts to get ready for the euro.

Next week, the Commission will also table a proposal for a new Reform Support Programme in the context of the next Multiannual Financial Perspective.

This will include a dedicated 'convergence facility' for technical and financial assistance to support the Member States in the implementation of reforms on their way towards joining the euro.

Thank you very much,

I now pass the floor to Pierre.