

This document is related to the briefing  
"The European Dimension in the National Reform Programmes and the Stability and Convergence Programmes"

The tables contain the classification of all detailed recommendations issued under the 2012 Country Specific Recommendations, and replied to by EU Member State governments in the 2013 Stability and Convergence Programme, and the 2013 National Reform Programme.

For details regarding the construction of these tables, we refer to the briefing.

The tables contain details on

- the policy domain
- the recommendation (its number in the 2012 CSR, and with an indication if it concerns an MIP)
- the measure taken by the government, and the year of implementation
- the degree of implementation
- observations on the implementation process
- references to the page numbers in the relevant programme

Shadowed cells indicate that the CSR was issued under the Macroeconomic Imbalances Procedure

*date: September 6th, 2013*

| BELGIUM                       |  |     |   |          |                       |               |         |                       |      |  |                        |  |
|-------------------------------|--|-----|---|----------|-----------------------|---------------|---------|-----------------------|------|--|------------------------|--|
| Domain                        | Detailed recommendation  | CSR | measure                                   |          | implementation status |               |         |                       |      | observations   | page reference in NRPs |  |
|                               |  |     | law, motion, commission, draft, plan, ... | year     | not done              | not specified | promise | partially implemented | done |  |                        |  |
| <b>Fiscal policy</b>          |  |     |   |          |                       |               |         |                       |      |  |                        |  |
| (primary) deficit             | Implement the budget for the year 2012 to make sure that the excessive deficit is corrected by 2012. Additionally, specify the measures necessary to ensure implementation of the budgetary strategy for the year 2013 and beyond, thereby ensuring that the excessive deficit is corrected in a durable manner and that sufficient progress is made towards the MTO, including meeting the expenditure benchmark, and ensure progress towards compliance with the debt reduction benchmark. | 1a  | law                                       | 2013     |                       |               |         | x                     |      | discussed in the SCP: commitment to reduce structural deficit by 1% in 2013, to achieve balance by 2015 (and the MTO in 2016)  | 12, 13 of SCP          |  |
| tax                           | Significantly shift taxes from labour to less growth-distortive taxes including for example environmental taxes.   | 5a  |   |          |                       | x             |         |                       |      | set of other tax cuts on specific labour groups  | .                      |  |
| pension                       | Continue to improve the long-term sustainability of public finances by curbing age-related expenditure ...   | 2a  |   |          |                       |               |         | x                     |      | various measures taken on raising minimum retirement age, computation of pension contribution and pensioners' activity, while measures on civil service pension system | 4                      |  |
|                               | ...including health expenditure....  | 2b  |   |          |                       |               | x       |                       |      | policies have been defined (without specifying, except making professionals more cost responsible)   | 6                      |  |
|                               | In particular, implement the reform of pre- retirement and pension schemes...  | 2c  | law                                       | 2012     |                       |               |         | x                     |      | reform of pension, prepension and pension bonus system   | 4                      |  |
|                               | and take further steps to ensure an increase in the effective retirement age, including through linking the statutory retirement age to life expectancy.   | 2d  | law                                       | 2012     |                       |               |         | x                     |      | minimum age for qualifying for an early retirement pension was raised (but no linkage to life expectancy)  | 4                      |  |
| region                        | Adjust the fiscal framework to ensure that the budgetary targets are binding at federal and sub-federal levels, and increase transparency of burden-sharing and accountability across government layers.   | 1b  |   |          |                       |               |         |                       | x    | discussed in the SCP: targets for regions, and reform of financing system  | 12, 78 of SCP          |  |
| <b>Labour market policy</b>   |  |     |   |          |                       |               |         |                       |      |  |                        |  |
| unit labour cost              | As a first step, ensure that wage growth better reflects developments in labour productivity and competitiveness, by (i) ensuring the implementation of ex post correction mechanisms foreseen in the 'wage norm' and promoting all-in agreements to improve cost-competitiveness ...  | 4b  | decree                                    | 2013     |                       |               |         | x                     |      | general wage freeze  | 8                      |  |
|                               | and (ii) facilitating the use of opt-out clauses from sectoral collective agreements to better align wage growth and labour productivity developments at local level.  | 4c  |   |          |                       | x             |         |                       |      | no measures  | .                      |  |
| labour productivity           | Pursue the initiated reform of the unemployment benefit system to reduce disincentives to work ...   | 5b  | negotiation                               | 2012     |                       |               |         | x                     |      | degressive unemployment benefits   | 9                      |  |
| labour market structure       | To boost job creation and competitiveness, take steps to reform, in consultation with the social partners and in accordance with national practice, the system of wage bargaining and wage indexation. ...   | 4a  | decision                                  | 2013     | x                     |               |         |                       |      | other computation inflation, use of subsidies, but no reform of negotiation itself   | 8                      |  |
| active labour market          | Take advantage of the planned further regionalisation of labour market competencies to boost interregional labour mobility   | 5d  | regional agreement                        | ...-2012 |                       |               |         | x                     |      | agreement between regional public employment services  | 10                     |  |
|                               | and to strengthen the coherence between education, lifelong learning, vocational training and employment policies.   | 5e  | regional decrees                          | 2012     |                       |               |         | x                     |      | programmes by regions on improving education, language classes, insertion in labour market   | 28                     |  |
| employability old             | Extend existing activation efforts to all age groups.  | 5f  | decree                                    | 2013     |                       |               |         | x                     |      | reduction of tax burden on middle income, old and young + programmes at regional level   | 9 (38)                 |  |
| discrimination                | strengthen the focus of employment support and activation policies on older workers and vulnerable groups, in particular people with a migrant background.   | 5c  | action plan                               | 2013     |                       |               |         | x                     |      | reduction of tax burden on middle income, old and young / availability of old people for labour / monitored job search + efforts on insertion migrants                 | 9                      |  |
| <b>Market policy</b>          |  |     |   |          |                       |               |         |                       |      |  |                        |  |
| energy                        | Introduce measures to strengthen competition in the network industries by revising regulatory barriers and ... reinforcing the institutional arrangements for effective enforcement of state aid rules.  | 6b  | law                                       | 2012     |                       |               |         | x                     |      | new laws on consumers in energy and telecom sector   | 13                     |  |
|                               |  | 6c  | law                                       | 2013     |                       |               |         |                       | x    | bill on competition authority and enforcement  | 12                     |  |
| internal market (competition) | Continue to strengthen competition in the retail sector by lowering barriers and reducing operational restrictions.  | 6a  | amendment                                 | 2012     |                       |               |         | x                     |      | competition problem contested by government studies but flexibilisation of trading hours and selling at a loss   | 12                     |  |
|                               |  |     |   |          |                       |               |         |                       |      |  |                        |  |
| <b>Environment</b>            |  |     |   |          |                       |               |         |                       |      |  |                        |  |
| CO2                           | Take further measures to enhance the progress towards reaching the targets for reducing greenhouse gas emissions from non-ETS activities,  | 7a  | regional plan                             | 2013     |                       |               |         | x                     |      | actions plans by regions and federal government are being implemented, no additional action needed   | 18                     |  |
|                               | ... in particular by ensuring a significant contribution to this goal from transport.  | 7b  | decree                                    | 2013     |                       |               |         | x                     |      | greener criteria for deductions for company cars   | 19                     |  |
| <b>Financial markets</b>      |  |     |   |          |                       |               |         |                       |      |  |                        |  |
| banking system                | Stimulate capital increase of the weakest banks to underpin the strength of the banking sector so that it can play its normal role in lending to the economy.  | 3   | advice by national bank                   | 2012     |                       |               |         |                       | x    | national bank supervision and intervention tasks (in KBC and Dexia Bank)   | 6                      |  |

| BULGARIA                      |  |     |   |           |                       |               |         |                       |      |   |                        |  |
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|                               |  |     | law, motion, commission, draft, plan, ... | year      | not done              | not specified | promise | partially implemented | done |   |                        |  |
| <b>Fiscal policy</b>          |  |     |   |           |                       |               |         |                       |      |   |                        |  |
| tax                           | implement a comprehensive tax-compliance strategy to further improve tax revenue and address the shadow economy.   | 1d  | laws + plan                               |           |                       |               |         | x                     |      | reform of procedures for VAT collection, and penal prosecution of fraud   | 53                     |  |
| spending                      | Strengthen efforts to enhance the quality of public spending, particularly in the education and health sectors   | 1b  |   |           | x                     |               |         |                       |      | no measures discussed on education  | .                      |  |
|                               | ... and health sectors   | 1c  | laws, decrees, plans                      | 2011-2013 |                       |               |         | x                     |      | a wide range of measures to reform the health sector  | 14                     |  |
| pension                       | Take further steps to reduce risks to the sustainability and to improve adequacy of the pension system by making the statutory retirement age the same for men and women with full career contributions  | 2a  |   |           | x                     |               |         |                       |      | no measures on men-women discrimination   | 16                     |  |
|                               | Introduce stricter criteria and controls for the allocation of invalidity pensions.  | 2b  | process                                   | 2013      |                       |               |         | x                     |      | procedural reform in progress   | 16                     |  |
| reporting                     | Further improve the contents of the medium-term budgetary framework and the quality of the reporting system.   | 1e  |   |           | x                     |               |         |                       |      | improvement in accrual information by state enterprises and municipalities  | 59 (SCP)               |  |
| MTO                           | Continue with sound fiscal policies to achieve the MTO by 2012. To this end, implement the budgetary strategy as envisaged, ensuring compliance with the expenditure benchmark, and stand ready to take additional measures in case risks to the budgetary scenario materialise. | 1a  |   |           |                       |               |         | x                     |      | not mentioned in NRP, more information in SCP: breach of expenditure benchmark planned for 2014   | 30 (SCP)               |  |
| <b>Labour market policy</b>   |  |     |   |           |                       |               |         |                       |      |   |                        |  |
| active labour market          | ...Ensure that the minimum thresholds for social security contributions do not discourage declared work. ...   | 3b  | study                                     | 2013      |                       |               | x       |                       |      | a study on the issue is underway  | 18                     |  |
| public employment service     | Step up efforts to improve the Public Employment Service's performance.  | 3c  | process                                   | 2013      |                       |               |         | x                     |      | investment in software and studies on labour market   | 19                     |  |
| discrimination                | and implement the National Roma Integration Strategy.  | 3f  | law, plans                                | 2012-2013 |                       |               | x       |                       |      | The main plan is under discussion in 2013, but several references to Roma integration also in laws to be put in national action plan.                     | 21                     |  |
| <b>Social policy</b>          |  |     |   |           |                       |               |         |                       |      |   |                        |  |
| secondary education           | Speed up the reform of relevant legal acts on schools and higher education   | 4a  | amendment to laws                         | 2013      |                       |               | x       |                       |      | amendment to law under discussion   | 21                     |  |
|                               | and of accompanying measures by focusing on modernising curricula  | 4b  | amendment to laws                         | 2012      |                       |               |         |                       | x    | actions being implemented   | 22                     |  |
|                               | improving teacher training   | 4c  | amendment to laws                         | 2012-2013 |                       |               |         | x                     |      | agreement on financing of training programmes, also with ESF funds, and quality standards are being upgraded  | 22                     |  |
|                               | and ensuring effective access to education for disadvantaged groups.   | 4d  | amendment to laws                         | 2013      |                       |               |         | x                     |      | study grants for specific groups  | 23                     |  |
| poverty                       | To alleviate poverty, improve the effectiveness of social transfers and ...  | 3d  | amendment to laws                         | 2012      |                       |               |         | x                     |      | simplify access to the social assistance system for the most disadvantaged, people with disabilities, the long-term unemployed and families with children | 19                     |  |
|                               | the access to quality social services for children and the elderly   | 3e  | amendment to laws                         | 2012      |                       |               |         | x                     |      | more social services for both categories  | 20                     |  |
| youth unemployment            | Accelerate the implementation of the national Youth Employment Initiative.   | 3a  | law                                       | 2013      |                       |               | x       |                       |      | proposals for new measures on new contracts, subsidies, and implementation boost administration   | 17                     |  |
| <b>Markets policy</b>         |  |     |   |           |                       |               |         |                       |      |   |                        |  |
| energy                        | ...Ensure the independence of transmission and distribution system operators;  | 7b  | ordinance                                 | 2013      |                       |               |         |                       | x    | ordinances based on Energy Act  | 30                     |  |
|                               | complete the market design in particular for the energy exchanges and balancing markets.   | 7c  | decree                                    | 2013      |                       |               |         |                       | x    | Energy Act  | 30                     |  |
|                               | Improve electricity and gas connections,   | 7d  | law, agreements                           | 2013-2014 |                       |               |         |                       | x    | projects in progress with neighbouring countries  | 31                     |  |
|                               | boost energy efficiency and enhance the capacity to cope with disruptions.   | 7e  | law                                       | 2013      |                       |               |         | x                     |      | measures on energy efficiency (not on disruptions)  | 31                     |  |
| internal market (competition) | Ensure sound implementation of public procurement legislation. Strengthen the prevention of irregularities and effectively apply the sanctions under the Public Procurement Law and those of the Law on Conflict of Interest.  | 6   | amendment to laws                         | 2012      |                       |               |         | x                     |      | safeguards to ensure the proper enforcement of legislation  | 27                     |  |
|                               | Take measures to remove market barriers, guaranteed profit arrangements and price controls.  | 7a  | ordinance                                 | 2013      |                       |               |         |                       | x    | Energy Act  | 29                     |  |
| administrative capacity       | Step up efforts to enhance administrative capacity ...   | 5a  | process                                   | 2013      |                       |               |         | x                     |      | set-up of integrated information system   | 24, 26                 |  |
|                               | and reforms by reducing red tape and the cost of tax compliance and collection   | 5b  | process                                   | 2008-2013 |                       |               |         |                       | x    | discussed in SCP: progress of the National Revenue Agency in improving tax compliance   | 50-51 (SCP)            |  |
|                               | Strengthen public administrative capacity in key transport sectors and regulatory authorities.   | 5f  |   | 2013      | x                     |               |         |                       |      | programme in progress   | .                      |  |
|                               | Improve the quality and independence of the judicial system...   | 5d  | amendments                                | 2013      |                       |               |         | x                     |      | programme in progress, informatisation, training and harmonisation of judicial system with international standards  | 25                     |  |
|                               | and speed up the introduction of e- government   | 5e  | process                                   | 2013-2015 |                       |               |         | x                     |      | implementation of concept paper   | 25                     |  |
| EU funds                      | improving the absorption of EU funds, in particular in road and rail transport and water management.   | 5c  |   |           |                       |               | x       |                       |      |   | .                      |  |
| business                      | Improve the access to finance for start-ups and SMEs, in particular those involved in innovative activities.   | 4e  | fund                                      | 2012-2013 |                       |               |         | x                     |      | holding fund project co-financed by EU + draft of Innovation Law  | 23-24                  |  |

| CZECH REPUBLIC              |  |     |  |           |                       |               |         |                       |      |   |                        |
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|                             |  |     | law, motion, commission, draft, plan, ...    | year      | not done              | not specified | promise | partially implemented | done |   |                        |
| <b>Fiscal policy</b>        |  |     |  |           |                       |               |         |                       |      |   |                        |
| (primary) deficit           | Ensure planned progress towards the timely correction of the excessive deficit. To this end, fully implement the 2012 budget and specify measures of a durable nature necessary for the year 2013 so as to achieve the annual average structural adjustment specified in the Council recommendation under the excessive deficit procedure. | 1a  | Laws   | 2012      |                       |               |         |                       | x    | State budget laws   | 1                      |
| tax                         | Exploit the available space for increases in taxes least detrimental to growth. Shift the high level of taxation on labour to housing and environmental taxation.  | 1c  | Tax reform                                   | 2013      |                       |               | x       |                       |      | The shifting of taxation has not been implemented yet   | 2                      |
|                             | Take measures to improve tax collection, reduce tax evasion and improve tax compliance, including by implementing the Single Collection Point for all taxes.   | 1e  | Laws   | 2013      |                       |               |         | x                     |      | Some laws are already implemented, others have a target date for full implementation in 2015  | 2                      |
| pension                     | Introduce further changes to the public pension scheme to ensure its long-term sustainability.   | 2a  | Amendment                                    | 2013      |                       |               |         |                       | x    | It is a lower indexation of pensions  | 2                      |
| MTO                         | Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark. In this context, avoid across-the-board cuts, safeguard growth-enhancing expenditure and step up efforts to improve the efficiency of public spending                                | 1b  | Legislative proposals                        | 2013      |                       |               | x       |                       |      | Relevant legislative proposals are prepared in the course of 2013   | 1                      |
| <b>Labour market policy</b> |  |     |  |           |                       |               |         |                       |      |   |                        |
| unit labour costs           | Reduce the discrepancies in the tax treatment of employees and the self-employed.  | 1d  | Law  | 2012      |                       |               |         |                       | x    | Law adopted in 2012 and changes effective from January 2013   | 2                      |
| labour market structure     | Reconsider plans to allow an earlier exit from the labour market.  | 2b  | Plans  | 2013      |                       |               | x       |                       |      | Several tripartite meetings with social partners  | 2                      |
| youth unemployment          | Promote effective participation of younger workers in the envisaged funded scheme to improve adequacy of pensions.   | 2c  | Information campaign. No legislative measure | 2013      |                       |               |         | x                     |      | It is only a promotion through an informative campaign  | 3                      |
| public employment service   | Strengthen public employment services by increasing the quality and effectiveness of training, ...   | 4a  | Administrative measures                      | 2013      |                       |               |         | x                     |      | Creation of new jobs through ESF projects but no other effective measures taken   | 3                      |
|                             | job search assistance and individualised services, including of outsourced services.   | 4b  | Administrative measures                      | 2012-2014 |                       |               |         |                       | x    | Several projects running  | 3, 4                   |
| <b>Social policy</b>        |  |     |  |           |                       |               |         |                       |      |   |                        |
| pre-school education        | Take additional measures to significantly increase the availability of affordable and quality pre-school childcare.  | 3   | Ongoing legislative preparation              | 2013      |                       |               | x       |                       |      | Law drafts submitted and ongoing legislative preparation  | 3                      |
| secondary education         | Establish an improvement-oriented evaluation framework in compulsory education.  | 6c  | Amendment                                    | 2013      |                       |               | x       |                       |      | A test is scheduled to be operational in the school year 2013/2014  | 6                      |
| tertiary education          | Adopt the necessary legislation to establish a transparent and clearly defined system for quality evaluation of higher education   | 6a  | Amendment                                    | 2013      |                       |               | x       |                       |      | Amendment draft under discussion and approval   | 5                      |
| <b>Market policy</b>        |  |     |  |           |                       |               |         |                       |      |   |                        |
| research                    | Ensure that the funding is sustainable and linked to the outcome of the quality assessment.  | 6b  | Government resolution                        | 2013      |                       |               | x       |                       |      | In 2013 the government will prepare the new system of evaluation of R&D institutions which will set up the rules for the public R&D spending                              | 5                      |
| administrative capacity     | Address the issue of anonymous share holding.  | 5c  | Legislative proposal of Act                  | 2012      |                       |               | x       |                       |      | In 2012 Government agreed to adopt the necessary measures to address the issue and a draft law is currently discussed in the parliament that would implement the decision | 4                      |
|                             | Adopt and implement as a matter of urgency the Public Servants Act to promote stability and effectiveness of the public administration in avoiding irregularities.   | 5a  | Draft law                                    | 2013      |                       |               | x       |                       |      | Draft redrafted and sent for changing reservations  | 4                      |
|                             | Ensure adequate implementation of the new Public Procurement Act.  | 5b  | Amendment to the Law                         | 2013      |                       |               | x       |                       |      | Additional regulations providing further details on the implementation of the Act to be adopted   | 4                      |
|                             | and step up the fight against corruption.  | 5e  | Strategy                                     | 2013      |                       |               |         |                       | x    | New anti-corruption strategy for years 2013 and 2014 was approved by the Government in January 2013.  | 5                      |
| EU funds                    | Ensure correct implementation of EU Funds  | 5d  | Action plan                                  | 2012      |                       |               |         |                       | x    | An action plan was adopted in 2012 to tackle problems in the system of EU funds   | 4                      |

| DENMARK                       |  |     |  |             |                       |                      |                |                              |             |  |                        |
|-------------------------------|--|-----|--|-------------|-----------------------|----------------------|----------------|------------------------------|-------------|--|------------------------|
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|                               |  |     | <i>law, motion, commission, draft, plan, ...</i> | <i>year</i> | <i>not done</i>       | <i>not specified</i> | <i>promise</i> | <i>partially implemented</i> | <i>done</i> |  |                        |
| <b>Fiscal policy</b>          |  |     |  |             |                       |                      |                |                              |             |  |                        |
| (primary) deficit             | Implement the budgetary strategy as envisaged, to ensure a correction of the excessive deficit by 2013 and achieve the annual average structural adjustment effort specified in the Council recommendations under the excessive deficit procedure. | 1a  | budget law                                       | 2012        |                       |                      |                |                              | x           | usual budget procedure   | 13                     |
| MTO                           | Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark.  | 1b  | law  | 2012        |                       |                      |                |                              | x           | Law on expenditure ceilings  | 14                     |
| <b>Labour market policy</b>   |  |     |  |             |                       |                      |                |                              |             |  |                        |
| active labour market          | Take further steps to enhance long-term labour supply by reforming the disability pension ...  | 2a  | law  | 2012        |                       |                      |                |                              | x           | Social Pension Act   | 17                     |
| employability old             | better targeting subsidised employment schemes (the 'flex-job' system) towards people with reduced work capacity...  | 2b  | law  | 2012        |                       |                      |                |                              | x           | Active Social Policy Act   | 17                     |
| discrimination                | and improving the employability of people with a migrant background.   | 2c  | proposal   | 2012        |                       |                      | x              |                              |             | no specific document so far  | 18                     |
| <b>Social policy</b>          |  |     |  |             |                       |                      |                |                              |             |  |                        |
| secondary education           | Implement announced measures, without delay, to improve the cost-effectiveness of the education system,  | 3a  | law  | 2013        |                       |                      |                |                              | x           | reform of the state educational grant scheme and framework for higher education programmes | 21                     |
|                               | reduce drop- out rates, in particular within vocational education, ...   | 3b  |  | 2012, 2013  |                       |                      | x              |                              |             | under discussion by commission   | 21                     |
|                               | and increase the number of apprenticeships.  | 3c  | agreement  | 2013        |                       |                      | x              |                              |             | under discussion by commission   | 22                     |
| <b>Market policy</b>          |  |     |  |             |                       |                      |                |                              |             |  |                        |
| internal market (competition) | Continue efforts to remove obstacles to competition, in particular in local services, the retail and construction sector,  | 4a  | proposal   | 2012        |                       |                      | x              |                              |             | under discussion after government proposal   | 25, 26                 |
|                               | including by further opening the municipal and regional procurement of services to competition and ...   | 4b  | proposal   | 2012        | x                     |                      |                |                              |             | no measure in this area  | .                      |
|                               | ensuring that competition law sanctions have a sufficiently deterrent effect.  | 4c  | law  | 2012        |                       |                      |                |                              | x           | Competition Act  | 25                     |
| <b>Financial market</b>       |  |     |  |             |                       |                      |                |                              |             |  |                        |
| banking system                | ... and financial system in the medium term, including by taking account of the results of the ongoing study by the Ministry of Business and Growth on the distribution of assets and liabilities across households                                | 5b  | decision   | 2013        |                       |                      |                |                              | x           | revise borrowing conditions, Systemic Risk Council, regulation of SIFs                     | 27, 28                 |
| housing market                | reviewing the property value tax system and the municipal land value tax system.   | 5c  |  | 2012        | x                     |                      |                |                              |             | property value tax are to be retained up until 2020  | 28                     |
|                               | Consider further preventive measures to strengthen the stability of the housing market   | 5a  | amendment to law                                 | 2013        |                       |                      |                |                              | x           | changes to borrowing/loan conditions   | 27                     |

| GERMANY                       |   |     |   |                 |                       |               |         |                       |      |   |                        |
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| <b>Fiscal policy</b>          |   |     |   |                 |                       |               |         |                       |      |   |                        |
| debt                          | Continue with sound fiscal policies to achieve the MTO by 2012. To this end, implement the budgetary strategy as envisaged, ensuring compliance with the expenditure benchmark as well as sufficient progress towards compliance with the debt reduction benchmark. | 1a  | Law                                       | not specified   |                       |               |         | x                     |      | Partially implemented: Law introduced. Not mentioned if Parliament has approved it or not (#25, p.8). // #19, p. 8 refers to check in SCP: p.13, 15, 21.  | 8                      |
| consolidation                 | Continue the growth-friendly consolidation course through additional efforts to enhance the efficiency of public spending on healthcare and long-term care  | 1b  | Law                                       | 2013            |                       |               |         | x                     |      | 2011-Law introduced. Not mentioned if Parliament has approved it or not. Health care financing law (GKV-Finanzierungsgesetz) and Act on the Reform of the Market for Medicinal Products (Arzneimittelmarktneuordnungsgesetz)(...) The Federal Government has also introduced state subsidies for private supplementary cover for long-term care, effective from 1 January 2013. (#29, # 31, #32, p.9).  | 9                      |
| tax                           | Using untapped potential to improve the efficiency of the tax system;   | 1c  | Act                                       | not specified   |                       |               |         | x                     |      | Measures are being implemented by the Federal Government to improve the efficiency of the tax system. Act to Simplify and Amend Corporate Taxation and the Tax Rules on Travel Allowances. (#32, p. 9)  | 9                      |
|                               | Reduce the high tax wedge in a budgetary neutral way, in particular for low-wage earners  | 3a  | Plan                                      | 2013            |                       |               | x       |                       |      | Consistent, pro-growth fiscal consolidation coupled with positive wage developments and employment trends. (#42, p. 11)   | 11                     |
|                               | Phase out the fiscal disincentives for second earners   | 3e  | Procedure                                 | introduced 2009 |                       |               | x       |                       |      | They pose the situation but there are no actions proposed (#52&53, p. 13)   | 13                     |
| spending                      | Use available scope for increased and more efficient growth-enhancing spending on education and research at all levels of government  | 1d  | Law/Plan                                  | 2011//2013      |                       |               |         | x                     |      | 2011-Law introduced. Not mentioned if Parliament has approved it or not (#29, p.9). // Investing in education and research is a top priority for both the Federal Government and the Länder. (#26, p. 9; #50, p.12; #86, p. 20)   | 9,12,20                |
| region                        | Complete the implementation of the debt brake in a consistent manner across all Länder, ensuring timely and relevant monitoring procedures and correction mechanisms.   | 1e  | not specified                             | not specified   |                       | x             |         |                       |      | Länder are actively helping to stabilise the financial situation at local authority level, and thus support budgetary policies for the municipalities that are both sustainable and adapted to intergenerational requirements. (#24, p.8)   | 8                      |
| <b>Labour market policies</b> |   |     |   |                 |                       |               |         |                       |      |   |                        |
| unit labour cost              | Create the conditions for wages to grow in line with productivity.  | 3c  |   | not specified   | x                     |               |         |                       |      | Net wages and salaries per employee will rise more appreciably this year, due to the cut in the contribution rate for statutory pension insurance and the increase in the basic tax-free allowance for income tax (up by 2.8 percent). (#15, p.5)   | 5                      |
| active labour market          | Maintain appropriate activation and integration measures, in particular for the long-term unemployed  | 3b  | not specified                             | law             |                       |               |         | x                     |      | Germany is following a comprehensive strategy to tackle long-term unemployment: reducing long-term unemployment is a governing objective that is anchored in law and a priority action area for labour market policy. (#105, p.24-25)   | 24-25                  |
| <b>Social policy</b>          |   |     |   |                 |                       |               |         |                       |      |   |                        |
| secondary education           | Take measures to raise the educational achievement of disadvantaged groups, in particular through ensuring equal opportunities in the education and training system.  | 3d  | Programme                                 | not specified   |                       | x             |         |                       |      | To integrate young people in the labour market, the Federal Government has long been an advocate of targeting young people at the earliest stage possible. (#47, p.12)  | 12                     |
|                               | Increase the availability of fulltime childcare facilities and all-day schools  | 3f  | Programme                                 | 2013            |                       |               | x       |                       |      | It is the aim of the Federal Government, Länder and municipalities to provide needs-based care facilities for the under-threes by 1 August 2013. (#54, p.13) // The Federal Government is providing investment funds to the Länder for the additional 30,000 spaces needed (#55, p.13) // By introducing a 10-point programme, the Federal Government has helped accelerate the expansion of child day care facilities (#56, p.13)                  | 13                     |
| <b>Market policy</b>          |   |     |   |                 |                       |               |         |                       |      |   |                        |
| energy                        | Continue efforts to keep the overall economic costs of transforming the energy system to a minimum, including by accelerating the expansion of the national and cross-border electricity and gas networks   | 4a  | Act                                       | 2011/12         |                       |               | x       |                       |      | programme for fundamental restructuring of Germany's energy supply towards renewable energy and higher energy efficiency ("Energiewende") in 2011. // The Grid Development Plan was submitted by the four transmission system operators in 2012 and subsequently reviewed and approved by the Federal Network Agency. // Another piece of legislation, the Grid Expansion Acceleration Act (NABEG), allows for streamlined planning. (#58-61, p.14) | 14                     |
| internal market (competition) | Take measures to further stimulate competition in the services sectors, including professional services and certain crafts, in particular in the construction sector  | 4c  | Act                                       | not specified   |                       |               | x       |                       |      | The Federal Government is further considering the elimination of excessive constraints. // Comprehensive reforms have been implemented within the liberal professions. (#70-72, p.16)   | 16                     |
| internal market (services)    | Ensure that the institutional set-up guarantees effective competition in railway markets  | 4b  | Act                                       | not specified   |                       |               | x       |                       |      | Improvement in the competitiveness of the railway market in Germany in recent years. (#66-68, p.15)   | 15                     |
| <b>Financial market</b>       |   |     |   |                 |                       |               |         |                       |      |   |                        |
| financial sector              | Address the remaining structural weaknesses in the financial sector   | 2a  | Law, Act                                  | not specified   |                       |               | x       |                       |      | With legislation to strengthen financial oversight (Gesetz zur Stärkung der deutschen Finanzaufsicht), the Federal Government has improved macroprudential oversight in particular, which focuses on stability of the financial system as a whole (#34, p.10) // The Federal Government has adopted the second and the third Financial Market Stabilisation Act to avert threats to the financial system (#35, p.10)                                | 10                     |
| banking system                | further restructuring of those <i>Landesbanken</i> which are in need of an adequately funded viable business model while avoiding excessive deleveraging.   | 2b  |   |                 |                       | x             |         |                       |      | Further consolidation took place in the Landesbank sector in 2012. // The resolution of the former WestLB in 2012 had a significant impact on the Landesbank sector. (#40-41, p. 11).   | 11                     |

| ESTONIA                       |  |     |   |              |                       |               |         |                       |      |   |                                 |
|-------------------------------|--|-----|---|--------------|-----------------------|---------------|---------|-----------------------|------|---|---------------------------------|
| Domain                        | Detailed recommendation  | CSR | measure                                   |              | implementation status |               |         |                       |      | observations  | page reference in NRPs          |
|                               |  |     | law, motion, commission, draft, plan, ... | year         | not done              | not specified | promise | partially implemented | done |   |                                 |
| <b>Fiscal policy</b>          |  |     |   |              |                       |               |         |                       |      |   |                                 |
| (primary) deficit             | Preserve a sound fiscal position by implementing budgetary plans as envisaged, ensuring achievement of the MTO by 2013 at the latest, and compliance with the expenditure benchmark.   | 1a  | Plan                                      | 2013         |                       |               | x       |                       |      |   | 28 of NRP and 20 of Annex 1     |
| consolidation                 | Enhance fiscal sustainability of municipalities while improving efficiency of local governments and ensure effective service provision   | 5a  | Reform                                    | 2012         |                       |               | x       |                       |      | Many reforms have been initiated and directions have been taken that this strategy has also documented, such as public service reform and centralization of support services of the state for making the public sector more efficient   | 31 of NRP and 20 of Annex 1     |
| tax                           | Continue enhancing implementing measures to improve tax compliance. Remove distortionary income tax exemptions related to children   | 1f  |   |              | x                     |               |         |                       |      |   |                                 |
| spending                      | Continue enhancing the efficiency of public spending   | 1e  | Plan                                      | 2012         |                       |               | x       |                       |      | Estonia has a high level of productive expenditures (investments, education costs, R&D costs, etc.)   | 29 of NRP and 20 of Annex 1     |
| fiscal rules                  | Complement the planned budget rule with more binding multiannual expenditure rules within the medium-term budgetary framework  | 1c  | Act                                       | 2014         |                       |               | x       |                       |      | In a longer-term perspective it is necessary to introduce multiannual expenditure targets in the state budget strategy and these will be provided for by the new State Financial Management Act that will enter into force in January 2014  | 20 of Annex 1                   |
| region                        | Enhance fiscal sustainability of municipalities while improving efficiency of local governments and ensure effective service provision, notably through stronger incentives for the merger of or increased cooperation between municipalities. | 5b  | Reform                                    | 2012         |                       |               |         | x                     |      | The Riigikogu has adopted draft legislation supporting mergers of local governments. Regulation regarding administrative organisation is under preparation, which also tackles the direct and indirect public administration  | 31 of NRP and 26 of Annex 1     |
| MTO                           | Ensuring achievement of the MTO by 2013 at the latest, and compliance with the expenditure benchmark.  | 1b  | Plan                                      | 2013         |                       |               | x       |                       |      | The medium-term objective of the Government is the structural surplus of the government budget  | 30 of NRP and 20 of Annex 1     |
| <b>Labour market policy</b>   |  |     |   |              |                       |               |         |                       |      |   |                                 |
| labour market structure       | Improve incentives to work by streamlining the social benefits system and increasing flexibility in the allocation of disability, unemployment and parental benefits, while ensuring adequate social protection.                               | 2a  | Plan                                      | 2013 on      |                       |               | x       |                       |      | The Government's long-term objective is to reduce workforce tax burden in order to strengthen incentives to work.   | 16, 21                          |
| employability old             | Increase the participation of the long-term unemployed in the labour market.   | 2c  | Programme                                 | 2012         |                       |               |         | x                     |      | To help the long-term unemployed and those with coping difficulties back to work, the Unemployment Insurance Fund has been cooperating with local governments since 2011  | 13, 15, 22                      |
| youth unemployment            | Increase the participation of the young unemployed in the labour market.   | 2d  | Programme                                 | Future       |                       |               | x       |                       |      | The Ministry of Social Affairs and the Ministry of Education and Research are preparing a joint programme to reduce youth unemployment  | 13, 15, 22                      |
| <b>Social Policy</b>          |  |     |   |              |                       |               |         |                       |      |   |                                 |
| poverty                       | Improve delivery of social services, while better targeting family and parental benefits   | 2b  | Reform                                    | Future       |                       |               | x       |                       |      | For the purpose of (re)entry to the labour market after being at home with a baby and reconciliation of work and family life, <b>the availability of high-quality, affordable and flexible pre-school education and day care services must be improved.</b>   | 16 of NRP                       |
| tertiary education            | Enhance cooperation between business and academia  | 3b  | Draft                                     | 2012         |                       |               | x       |                       |      | "The objective of the higher education funding reform or shift to performance agreements is to raise the quality of higher education, reduce unreasonable duplication and promote cooperation "   | 24 of Annex 1                   |
|                               | Increase opportunities for low-skilled workers to improve their access to lifelong learning.   | 3c  | Plan                                      | 2013         |                       |               | x       |                       |      | The new lifelong learning development plan will be completed in autumn 2013   | 23 of Annex 1                   |
|                               | Link training and education more effectively to the needs of the labour market   | 3a  | Plan                                      | Future       |                       |               | x       |                       |      | The Government formed a task force with the aim of creating a better match between people's skills and changes on the labour market. The task force will develop specific proposals   | 13, 19 of NRP and 23 of Annex 1 |
| <b>Market policy</b>          |  |     |   |              |                       |               |         |                       |      |   |                                 |
| research                      | Foster prioritisation and internationalisation of the research system.   | 3d  | Reform                                    | Future       |                       |               | x       |                       |      | To increase the capacity of the R&D system, the research system reform must be completed. It means a considered and effective use of structural funds and state-budget resources in financing R&D investments.  | 21 of NRP                       |
| internal market (competition) | Continue the development of cross-border connections to end relative market isolation.   | 4c  |   |              | x                     |               |         |                       |      |   |                                 |
| innovation                    | Foster prioritisation and internationalisation of the innovation system.   | 3e  | Plan                                      | Future       |                       |               |         | x                     |      | "The development of the new R&D and innovation strategy as well as the entrepreneurship growth strategy focusing on business sector began in 2012. The focus will be on supporting international mobility"  | 24 of Annex 1                   |
| <b>Environment</b>            |  |     |   |              |                       |               |         |                       |      |   |                                 |
| energy                        | Improve energy efficiency, in particular in buildings and transport, and strengthen environmental incentives concerning vehicles and waste, including by considering incentives such as the taxation of vehicles                               | 4a  | Reform                                    | Recent years |                       |               |         | x                     |      | In recent years, the Estonian government has carried out a so-called ecological tax reform, the goal of which is to increase environmental taxes and reduce labour taxes. It is planned to introduce energy class labels for vehicles and that "new strategic waste management plan 2014– 2020 is being prepared" | 27 of NRP and 25 of Annex 1     |
| green technology              | Foster renewable energy use, including through upgraded infrastructure and legislation.  | 4b  | Plan                                      | Next decade  |                       |               |         | x                     |      | long-term development plan for the energy sector up to year 2030  | 25 of Annex 1                   |

| SPAIN                         |   |     |   |         |                       |               |         |                       |              |  |        |
|-------------------------------|---|-----|---|---------|-----------------------|---------------|---------|-----------------------|--------------|--|--------|
| Domain                        | Detailed recommendation   | CSR | measure                                   |         | implementation status |               |         |                       | observations | page reference in NRPs   |        |
|                               |   |     | law, motion, commission, draft, plan, ... | year    | not done              | not specified | promise | partially implemented | done         |  |        |
| <b>Fiscal policy</b>          |   |     |   |         |                       |               |         |                       |              |  |        |
| (primary) deficit             | Deliver an annual average structural fiscal effort of above 1,5 % of GDP over the period 2010-13 as required by the Council recommendation under the EDP by implementing the measures adopted in the 2012 budget ...  | 1a  | law                                       | 2012    |                       |               |         |                       | x            | discussion of spending cuts in personnel, public services, and tax increases on corporate taxes, plus a list of additional measures to contain the deficit | 18, 19 |
| tax                           | Introduce a taxation system consistent with the fiscal consolidation efforts ...  | 3a  | statement                                 | 2014    |                       |               |         | x                     |              | general promise of tax reform  | 24, 25 |
|                               | and more supportive of growth, including a shift away from labour towards consumption and environmental taxation  | 3b  | law                                       | 2012/13 |                       |               |         |                       | x            | energy taxes   | 25     |
|                               | In particular, address the low VAT revenue ratio by broadening the tax base for VAT   | 3c  | law                                       | 2012    |                       |               |         | x                     |              | broadening of base of VAT  | 24     |
|                               | Ensure less tax-induced bias towards indebtedness and homeownership (as opposed to renting).  | 3d  | decree                                    | 2013    |                       |               |         |                       | x            | remove tax deductions, plus stimulus to renting market   | 25     |
| fiscal council                | Establish an independent fiscal institution to provide analysis, advice and monitor fiscal policy.  | 1d  | proposal                                  | 2013    |                       |               |         |                       | x            | under discussion in Parliament (in Spanish version), approved by Parliament (English version)  | 22     |
| pension                       | Ensure that the retirement age is rising in line with life expectancy when regulating the sustainability factor foreseen in the recent pension reform and...  | 2a  | law                                       | 2013    |                       |               |         |                       | x            | modification of Pension Law  | 23     |
| regions                       | Adopt and implement measures at regional level in line with the approved rebalancing plans and strictly apply the new provisions of the Budgetary Stability Law regarding transparency and control of budget execution and continue improving the timeliness and accuracy of budgetary reporting at all levels of government. | 1c  | proposal                                  | 2012    |                       |               | x       |                       |              | several measures, and the Budget Stability Law, to better control, regulate and make transparent regional budgets  | 22     |
|                               |   | 1c  | decree                                    | 2012    |                       |               |         |                       | x            | reporting by regions on budgetary matters  | 20     |
| administrative reform         | Implement reforms in the public sector to improve the efficiency and quality of public expenditure at all government levels.  | 1e  | law                                       | 2012    |                       |               |         |                       | x            | laws to regulate spending by local entities, health sector, education system   | 21     |
| MTO                           | and adopting the announced multiannual budget plan for 2013-14 by end July 2012.  | 1b  | law                                       | 2012    |                       |               |         |                       | x            | two year plan for budget   | 19     |
| <b>Labour market policy</b>   |   |     |   |         |                       |               |         |                       |              |  |        |
| active labour market          | Implement the labour market reforms ...   | 5a  | decree                                    | 2012    |                       |               |         |                       | x            | regulates collective negotiation, internal flexibility, the applicability of labour agreements, etc  | 28, 29 |
|                               | and take additional measures to increase the effectiveness of active labour market policies   | 5b  | decree                                    | 2012    |                       |               | x       |                       |              | development of plan with indicators of labour market policies for the period 2014-2020   | 28, 29 |
|                               | by improving their targeting  | 5c  | decree                                    | 2012    |                       |               |         |                       | x            | specific measures for young unemployed to capitalise the unemployment benefit  | 28, 29 |
|                               | , by increasing the use of training, advisory and job matching services, ...  | 5d  | decree                                    | 2013    |                       |               |         |                       | x            | link public and private job matching agencies  | 28, 29 |
|                               | by strengthening their links with passive policies, and ...   | 5e  | decree                                    | 2012    |                       |               |         |                       | x            | link job search to unemployment support  | 28, 29 |
|                               | by strengthening coordination between the national and regional public employment services, including sharing information about job vacancies.  | 5f  |   |         |                       |               | x       |                       |              | actions underway   | 28, 29 |
| employability old             | underpin the Global Employment Strategy for Older Workers with concrete measures to develop lifelong learning further, improve working conditions   | 2b  |   |         | x                     |               |         |                       |              |  | 28, 29 |
|                               | and foster the reincorporation of this group in the job market.   | 2c  | decree                                    | 2012/13 |                       |               |         |                       | x            | several measures to retain or reincorporate older workers  | 23     |
| youth unemployment            | Implement the Youth Action Plan, in particular as regards the quality and labour market relevance of vocational training and education, and ...   | 6c  | plan                                      | 2013/16 |                       |               | x       |                       |              | support for early school leavers to reeducate, and support for self-employment   | 31     |
|                               | increase participation in vocational education and training through prevention, intervention and compensation measures.   | 6d  | proposal                                  | 2013    |                       |               | x       |                       |              | several plans for adaptation of school curriculum, university system, life long learning, etc  | 31     |
| discrimination                | Improve the employability of vulnerable groups,   | 7a  | plan                                      | 2013/16 |                       |               | x       |                       |              | action plan for Roma, drug abused and economically debilitated groups (such as long-term unemployed, mortgage debtors, etc.)                               | 32     |
| <b>Social policy</b>          |   |     |   |         |                       |               |         |                       |              |  |        |
| secondary education           | reinforce efforts to reduce early school-leaving and ...  | 6e  | proposal                                  | 2013    |                       |               |         | x                     |              | plans at national level, some implementation at regional level   | 31     |
| poverty                       | combined with effective child and family support services in order to improve the situation of people at risk of poverty and/or social exclusion, and consequently to achieve the well-being of children.   | 7b  | plan                                      | 2013/16 |                       |               | x       |                       |              | discussion of plan   | 32     |
| <b>Market policy</b>          |   |     |   |         |                       |               |         |                       |              |  |        |
| innovation                    | Review spending priorities and reallocate funds to support access to finance for ... research, innovation ...   | 6a  | proposal                                  | 2013    |                       |               | x       |                       |              | incentives for business angels   | 30     |
| energy                        | Complete the electricity and gas interconnections with neighbouring countries...  | 8d  | plan                                      | 2014/16 |                       |               | x       |                       |              | plans for electrical and gas grid connections to France and Portugal under study   | 35, 36 |
|                               | and address the electricity tariff deficit in a comprehensive way, in particular by improving the cost efficiency of the electricity supply chain.  | 8e  | decree                                    | 2013    |                       |               |         |                       | x            | cost cutting and price hike for electrical tariffs   | 36     |
| internal market (competition) | Take additional measures to open up professional services, including highly regulated professions...  | 8a  | study                                     | 2013    |                       |               | x       |                       |              | discussion of situation of professional services, and discussion on a new legal framework  | 33     |
|                               | reduce delays in obtaining business licences and ...  | 8b  | law, decree                               | 2012    |                       |               |         | x                     |              | several measures for opening access to some sectors  | 34     |
|                               | eliminate barriers to doing business resulting from overlapping and multiple regulations by different levels of government  | 8c  | decree                                    | 2013    |                       |               |         |                       | x            | several measures for harmonisation of legislation  | 35     |
| <b>Financial market</b>       |   |     |   |         |                       |               |         |                       |              |  |        |
| banking system                | Implement the reform of the financial sector, in particular complement the on-going restructuring of the banking sector by addressing the situation of remaining weak institutions  | 4a  | decree                                    | 2012    |                       |               |         |                       | x            | followup and extension of measures   | 26     |
|                               | put forward a comprehensive strategy to deal effectively with the legacy assets on the banks' balance sheets, and   | 4b  | decree                                    | 2012    |                       |               |         |                       | x            | additional capital provisions for banks with exposure to real estate   | 26     |
|                               | define a clear stance on the funding and use of backstop facilities.  | 4c  | MoU                                       | 2012    |                       |               |         |                       | x            | Memory of Understanding on use of aid package  | 26     |
| credit                        | to finance for small and medium-sized enterprises (SMEs), ... and young people.   | 6b  | agreement                                 | 2012    |                       |               |         |                       | x            | agreement with ICO, banking association to increase credit flows   | 30     |



| FRANCE                        |  |     |   |            |                       |               |         |                       |              |  |    |
|-------------------------------|--|-----|---|------------|-----------------------|---------------|---------|-----------------------|--------------|--|----|
| Domain                        | Detailed recommendation  | CSR | measure                                   |            | implementation status |               |         |                       | observations | page reference in NRPs   |    |
|                               |  |     | law, motion, commission, draft, plan, ... | year       | not done              | not specified | promise | partially implemented | done         |  |    |
| <b>Fiscal policy</b>          |  |     |   |            |                       |               |         |                       |              |  |    |
| (primary) deficit             | Reinforce and implement the budgetary strategy, supported by sufficiently specified measures, notably on the expenditure side, for the year 2012 and beyond to ensure a correction of the excessive deficit by 2013 and the achievement of the structural adjustment effort specified in the Council recommendations under the excessive deficit procedure. Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark, and ensure sufficient progress towards compliance with the debt reduction benchmark. | 1a  |   |            |                       |               |         | x                     |              | progress on budget consolidation (in SCP)  | 24 |
| tax                           | Take further steps to introduce a more simple and balanced taxation system, ...  | 4a  | law                                       | 2013       |                       |               |         |                       | x            | increase in VAT rates  | 34 |
|                               | shifting the tax burden from labour to other forms of taxation that weigh less on growth and external competitiveness, in particular environmental and consumption taxes;  | 4b  | commission                                | 2014       |                       |               | x       |                       |              | discussion of introduction of environmental taxes ongoing, to be implemented in 2014   | 35 |
|                               | continue efforts to reduce and streamline tax expenditures (in particular those providing incentives to indebtedness);   | 4c  | decree                                    | 2013       |                       |               |         | x                     |              | budget law foresees several reductions   | 36 |
|                               | review the effectiveness of the current reduced VAT rates in support of growth and job creation.   | 4d  | inspection, parliamentary report          | 2011, 2012 |                       |               |         |                       | x            | action by the ministry, and parliamentary report (new VAT system planned for 2014)   | 37 |
| pension                       | Continue to review the sustainability and adequacy of the pension system and take additional measures if needed.   | 1b  | commission                                | 2013       |                       |               | x       |                       |              | Commission on Pensions to discuss reforms  | 24 |
| <b>Labour market policy</b>   |  |     |   |            |                       |               |         |                       |              |  |    |
| labour market structure       | continue to ensure that any development in the minimum wage is supportive of job creation and competitiveness...   | 2b  | decree                                    | 2013       |                       |               |         | x                     |              | partial reform of indexation of minimum wage   | 28 |
| active labour market          | Introduce further reforms to combat labour market segmentation by reviewing selected aspects of employment protection legislation, in consultation with the social partners in accordance with national practices, in particular related to dismissals; ...  | 2a  | draft                                     | 2013       |                       |               | x       |                       |              | draft proposal to be put in law in 2013, discussion in National Interprofessional Accord   | 25 |
|                               | step up active labour market policies  | 3b  |   |            |                       | x             |         |                       |              |  |    |
| employability old             | Adopt labour market measures to ensure that older workers stay in employment longer;   | 3a  | law                                       | 2013       |                       |               |         |                       | x            | A new generation contract approved by Parliament   | 30 |
| youth unemployment            | improve youth employability especially for those most at risk of unemployment, by providing for example more and better apprenticeship schemes which effectively address their needs;  | 3c  | law                                       | 2013       |                       |               |         | x                     |              | several measures to improve contracting possibilities for young people, in particular on apprenticeship and professional formation | 31 |
| public employment service     | public employment services are more effective in delivering individualised support.  | 3d  | plan                                      | 2012-2015  |                       |               |         | x                     |              | discussion with regions, plus additional employees   | 33 |
| <b>Social policy</b>          |  |     |   |            |                       |               |         |                       |              |  |    |
| tertiary education            | take actions to increase adult participation in lifelong learning.   | 2c  | agreement                                 | 2013       |                       |               | x       |                       |              | agreement with regions   | 29 |
| <b>Market policy</b>          |  |     |   |            |                       |               |         |                       |              |  |    |
| energy                        | take further steps to liberalise network industries, in particular in the electricity wholesale market, ...  | 5c  | law                                       | 2011       |                       |               |         | x                     |              | limited access to network of other providers   | 38 |
|                               | develop energy interconnection capacity  | 5d  | plan                                      | 2014       |                       |               |         | x                     |              | links to Spain and Italy   | 39 |
| internal market (competition) | Pursue efforts to remove unjustified restrictions on regulated trades and professions, ...   | 5a  | draft                                     | 2013       |                       |               |         | x                     |              | progress in opening up access to several professions   | 37 |
|                               | in particular in services and the retail sector; ...   | 5b  |   |            |                       | x             |         |                       |              | no mention of retail sector  | 38 |
|                               | and facilitate the entry of new operators into the rail freight and international passenger transport sectors.   | 5e  | draft                                     | 2013       |                       |               |         | x                     |              | draft law on restructuring the railway sector by 2019  | 39 |

| ITALY                         |   |     |   |           |                       |               |         |                       |      |              |   |        |
|-------------------------------|---|-----|---|-----------|-----------------------|---------------|---------|-----------------------|------|--------------|---|--------|
| Domain                        | Detailed recommendation   | CSR | measure                                   |           | implementation status |               |         |                       |      | observations | page reference in NRPs  |        |
|                               |   |     | law, motion, commission, draft, plan, ... | year      | not done              | not specified | promise | partially implemented | done |              |   |        |
| <b>Fiscal policy</b>          |   |     |   |           |                       |               |         |                       |      |              |   |        |
| debt                          | Implement the budgetary strategy as planned, and ensure that the excessive deficit is corrected in 2012.  | 1a  | law                                       | 2012      |                       |               |         |                       |      | x            | Budget Law  | 33     |
| tax                           | Pursue the fight against tax evasion.   | 5a  |   |           |                       |               |         |                       | x    |              | control and simplification measures   | 48     |
|                               | Pursue the shadow economy and undeclared work, for instance by stepping up checks and controls.   | 5b  | plan                                      | 2012      |                       |               |         |                       |      | x            | increased control by Agencies, Customs and Police   | 48     |
|                               | Take measures to reduce the scope of tax exemptions, allowances and reduced VAT rates ...   | 5c  | commission                                | 2013      |                       |               |         | x                     |      |              | several proposal for reducing tax exemptions  | 49     |
|                               | and simplify the tax code...  | 5d  | draft                                     | 2012      |                       |               |         | x                     |      |              | discussion in working group   | 49     |
|                               | Take further action to shift the tax burden away from capital and labour to property and consumption as well as environment.  | 5e  | law                                       | 2012      |                       |               |         |                       |      | x            | increase in VAT and excise taxes, reduction in corporate tax and labour contributions                                       | 51-52  |
| spending                      | Pursue a durable improvement of the efficiency and quality of public expenditure through the planned spending review and ...  | 2b  | plan                                      | 2012      |                       |               |         |                       |      | x            | creation of a Spending Review Officer, several measures on application of stricter budget criteria on public administration | 36-39  |
| fiscal rules                  | Ensure that the specification in the implementing legislation of the key features of the balanced budget rule set out in the Constitution, including appropriate coordination across levels of government, is consistent with the EU framework.   | 2a  | law                                       | 2012      |                       |               |         |                       |      | x            | Balanced Budget Rule in Constitution  | 35     |
| MTO                           | Ensure the planned structural primary surpluses so as to put the debt- to-GDP ratio on a declining path by 2013. Ensure adequate progress towards the MTO, while meeting the expenditure benchmark and making sufficient progress towards compliance with the debt reduction benchmark. | 1b  | law                                       | 2012      |                       |               |         |                       |      | x            | Budget Law  | 33     |
| <b>Labour market policy</b>   |   |     |   |           |                       |               |         |                       |      |              |   |        |
| labour productivity           | Monitor and if needed reinforce the implementation of the new wage setting framework in order to contribute to the alignment of wage growth and productivity at sector and company level.   | 4d  | agreement                                 | 2012      |                       |               |         |                       |      | x            | agreement with social partners to follow-up on economic situation   | 46     |
| labour market structure       | Adopt the labour market reform as a priority to tackle the segmentation of the labour market ...  | 4a  | law                                       | 2012      |                       |               |         |                       | x    |              | reform on dismissal   | 44-45  |
|                               | and establish an integrated unemployment benefit scheme.  | 4b  | law                                       | 2012      |                       |               |         |                       |      | x            | extension of unemployment insurance   | 45     |
| youth unemployment            | Take further action to address youth unemployment, ...  | 3a  | law, plans                                | 2012      |                       |               |         |                       | x    |              | several measures on youth contracts, regional programmes, green economy, etc.   | 40-44  |
| discrimination                | Enforce nation-wide recognition of skills and qualifications to promote labour mobility.  | 3d  | decree                                    | 2012      |                       |               |         |                       |      | x            | certification + EU blue card for high skilled immigrants  | 42     |
|                               | Take further action to incentivise labour market participation of women, in particular through the provision of childcare and elderly care.   | 4c  | plan                                      | 2012      |                       |               |         |                       |      | x            | several measures on childcare, maternity leave and paternity leave, employment of women                                     | 47     |
| <b>Social policy</b>          |   |     |   |           |                       |               |         |                       |      |              |   |        |
| secondary education           | including by improving the labour-market relevance of education and facilitating transition to work, ...  | 3b  | law                                       | 2012      |                       |               |         |                       | x    |              | labour market reform on apprenticeship  | 40-42  |
| tertiary education            | Take measures to reduce tertiary education dropout rates and fight early school leaving.  | 3e  | plan                                      | 2013      |                       |               |         | x                     |      |              | no specific measures except university guidance   | 44     |
| <b>Market policy</b>          |   |     |   |           |                       |               |         |                       |      |              |   |        |
| internal market (competition) | Take further measures to improve market access in network industries, as well as infrastructure capacity and interconnections.  | 6b  | law                                       | 2012      |                       |               |         |                       | x    |              | liberalisation in several sectors, but to a different extent. No mention of interconnection.                                | 54, 56 |
| internal market (services)    | Implement the adopted liberalisation and simplification measures in the services sector.  | 6a  | decree                                    | 2012      |                       |               |         |                       | x    |              | easier access to several professions  | 55-56  |
| administrative capacity       | Simplify further the regulatory framework for businesses and enhance administrative capacity.   | 6c  | plan                                      | 2012      |                       |               |         |                       | x    |              | few measures to reduce administrative burden. Administrative capacity not addressed   | 54-58  |
| EU funds                      | the implementation of the 2011 Cohesion Action Plan leading to improving the absorption and management of EU funds, in particular in the South of Italy.  | 2c  |   |           |                       |               |         |                       | x    |              | more money coined, but no specification of measures for the Mezzogiorno   | .      |
| access to finance             | Improve access to financial instruments, in particular equity, to finance growing businesses and innovation.  | 6d  | plan                                      | 2013      |                       |               |         | x                     |      |              | tax measures for start-ups and SMEs   | 57-58  |
| administrative reform         | Implement the planned reorganisation of the civil justice system, and promote the use of alternative dispute settlement mechanisms.   | 6e  | decree                                    | 2012      |                       |               |         |                       | x    |              | reorganisation, but no alternative dispute mechanisms   | 60     |
| business                      | also through incentives for business start-ups and for hiring employees.  | 3c  | law                                       | 2012-2013 |                       |               |         |                       |      | x            | several measures on contracts for young people by improving incentives, but no measures on start-ups                        | 40-42  |

| CYPRUS  |  |     |   |                       |          |               |         |                       |              |   |        |
|---|--|-----|---|-----------------------|----------|---------------|---------|-----------------------|--------------|---|--------|
| Cyprus received CSR in July 2012, but submitted a National Reform Programme, despite being subject to a specific macro-economic assistance programme. |  |     |   |                       |          |               |         |                       |              |   |        |
| Domain  | Detailed recommendation  | CSR | measure                                   | implementation status |          |               |         |                       | observations | page reference in NRPs  |        |
|   |  |     | law, motion, commission, draft, plan, ... | year                  | not done | not specified | promise | partially implemented | done         |   |        |
| <b>Fiscal policy</b>  |  |     |   |                       |          |               |         |                       |              |   |        |
| (primary) deficit   | Take additional measures to achieve a durable correction of the <b>excessive deficit</b> in 2012. Rigorously implement the budgetary strategy, supported by sufficiently specified measures, for the year 2013 and beyond to ensure the achievement of the MTO by 2014 and compliance with the expenditure benchmark and ensure sufficient progress with the debt reduction benchmark. | 1a  | measures                                  | 2012-2016             |          |               |         |                       | x            | reduce wage bill by raising working hours, reduce labour force and cut wages in the public sector   | 29, 30 |
| fiscal rule   | Accelerate the phasing-in of an enforceable multiannual budgetary framework with a binding statutory basis and corrective mechanism.   | 1b  | Law                                       | .                     |          |               |         |                       | x            | Law on Budgetary Stability introduces transparency, fiscal rules and correction mechanisms  | 30     |
| reporting   | Take measures to keep tight control over expenditure and implement programme and performance budgeting as soon as possible.  | 1c  | Law                                       | .                     |          |               |         |                       | x            | Law on Budgetary Stability introduces transparency, fiscal rules and correction mechanisms  | 30     |
| tax   | Improve tax compliance and fight against tax evasion.  | 1d  |   | .                     | x        |               |         |                       |              | no discussion in programme  | .      |
| pension   | Further improve the long-term sustainability and adequacy of the pensions system and ...   | 3a  | measures                                  | 2013                  |          |               |         |                       | x            | update scheme established in 2009 by raising retirement age, increase contributions, discourage early retirement, work out alternative pension schemes, also in the public sector | 32     |
|   | Ensure an increase in the effective retirement age, including through aligning the statutory retirement age with the increase in life expectancy.  | 3c  | measures                                  | 2013                  |          |               |         |                       | x            | update scheme established in 2009 by raising retirement age, increase contributions, discourage early retirement, work out alternative pension schemes, also in the public sector | 32     |
| spending  | Redress the fiscal balance by restraining expenditure.   | 7c  | measures                                  | 2012-2016             |          |               |         |                       | x            | reduce wage bill by raising working hours, reduce labour force and cut wages in the public sector   | 29, 30 |
| <b>Labour market policy</b>   |  |     |   |                       |          |               |         |                       |              |   |        |
| active labour market policy   | Improve the skills of the workforce to reinforce their occupational mobility towards activities of high growth and high value added.   | 5a  | measures                                  | 2012-2013             |          |               |         |                       | x            | specific actions on vocational training for adults, a reform of school curricula, and teacher curricula   | 34     |
| youth unemployment  | Take further measures to address youth unemployment, with emphasis on work placements in companies and promotion of self-employment.   | 5b  | measures                                  | 2012-2013             |          |               |         | x                     |              | measures on improving the Apprenticeship Scheme, and steps to improve guidance and subsidies to young unemployed  | 36     |
|   | Improve competitiveness, including through the reform of the system of wage indexation, in consultation with social partners and in line with national practices, to better reflect productivity developments.   | 7a  | law                                       | 2013                  |          |               | x       |                       |              | negotiations with social partners under way on wage indexation system, especially in the public sector. Also freeze of indexation till 2016.                                      | 37     |
| <b>Social Policy</b>  |  |     |   |                       |          |               |         |                       |              |   |        |
| health  | Complete and implement the national healthcare system without delay, on the basis of a roadmap, which should ensure its financial sustainability while providing universal coverage.   | 4   | Law                                       | 2013                  |          |               |         | x                     |              | preparation of implementation of National Healthcare System by 2015. Detailed measures on coverage and financing. Under review by IMF/EU/ECB.                                     | 33, 34 |
| poverty   | address the high at-risk-of-poverty rate for the elderly.  | 3b  | measures                                  | 2013                  |          |               |         |                       | x            | continuation of Low Income Support Scheme   | 32     |
| <b>Market policy</b>  |  |     |   |                       |          |               |         |                       |              |   |        |
| innovation  | Take appropriate policy measures on the demand side to stimulate business innovation.  | 5c  | measures                                  | 2012                  |          |               |         | x                     |              | evaluation of projects under grant system for subsidies on technology investment under way  | 36     |
|   | Remove unjustified obstacles in services markets, in particular by improving the implementation of the Services Directive in service sectors with the most growth potential (including tourism) and by opening up the provision of professional services.  | 6   | amendment of law                          | 2012-2013             |          |               |         | x                     |              | opening up of several professions under way, with several being liberalised, also with IMF/EU/ECB involvement   | 36     |
|   | Take steps to diversify the structure of the economy.  | 7b  |   |                       | x        |               |         |                       |              | not discussed in programme  | .      |
| <b>Financial market</b>   |  |     |   |                       |          |               |         |                       |              |   |        |
| banking system  | Further harmonise the supervisory and the regulatory framework for the cooperative credit societies in line with the standards applied for the commercial banks.   | 2a  | Law                                       | 2013                  |          |               |         |                       | x            | Central Bank of Cyprus becomes the single resolution authority  | 31     |
|   | Strengthen regulatory provisions for the efficient recapitalisation of the financial institutions in order to limit exposure of the financial sector to external shocks.   | 2b  | measures                                  | 2013                  |          |               |         | x                     |              | measures with IMF/EU/ECB assistance on regulating banking sector  | 31     |

| LATVIA                      |   |     |   |      |                       |                  |         |                               |      |   | pages n.<br>refer to<br>Progress<br>report on<br>the<br>implemen-<br>tation |
|-----------------------------|---|-----|---|------|-----------------------|------------------|---------|-------------------------------|------|---|---|
| Domain                      | Detailed recommendation   | CSR | measure   |      | implementation status |                  |         |                               |      | observations  |   |
|                             |   |     | law, motion,<br>commission,<br>draft, plan, ... | year | not<br>done           | not<br>specified | promise | partially<br>impleme-<br>nted | done |   |   |
|                             |   |     |   |      |                       |                  |         |                               |      |   |   |
| <b>Fiscal policy</b>        |   |     |   |      |                       |                  |         |                               |      |   |   |
| (primary) deficit           | Ensure planned progress towards the timely correction of the excessive deficit. To this end, implement the budget for the year 2012 as envisaged and achieve the fiscal effort specified in the Council recommendation under the excessive deficit procedure. | 1a  | law   | 2012 |                       |                  |         |                               | x    | overall aim of government   | 9   |
| tax                         | Implement measures to shift taxation away from labour to consumption, property, and use of natural and other resources while improving the structural balance; ...  | 2a  |   |      |                       | x                |         |                               |      | reduction of personal income tax, but no shift to other taxes   | 10  |
| fiscal rules                | ensure adoption of the Fiscal Discipline Law  | 2b  | law   | 2013 |                       |                  |         |                               | x    | Fiscal Discipline Law   | 10  |
|                             | develop a medium term budgetary framework law to support the long-term sustainability of public finances;   | 2c  | law   | 2012 |                       |                  |         |                               | x    | Law on Medium Term Budgetary Framework  | 10  |
|                             | Use better than expected cyclical revenue to reduce government debt.  | 1c  | law   | 2012 |                       |                  |         |                               | x    | Fiscal Discipline Law requires the use of countercyclical fiscal policy   | 9   |
| pension                     | restore contributions to the mandatory funded private pension scheme at 6 % of gross wages from 2013.   | 2d  | amendment to<br>law                             | 2012 |                       |                  |         | x                             |      | gradual change in contributions   | 11  |
| MTO                         | Thereafter, implement a budgetary strategy, supported by sufficiently specified structural measures, for the year 2013 and beyond, to make sufficient progress towards the MTO, and to respect the expenditure benchmark.                                     | 1b  |   |      |                       |                  |         |                               | x    | Fiscal Discipline Law stipulates spending benchmark   | 9   |
| <b>Labour market policy</b> |   |     |   |      |                       |                  |         |                               |      |   |   |
| active labour market        | enhancing the quality, coverage and effectiveness of active labour market policy and its training component and through an effective wage subsidy scheme.   | 3c  |   |      |                       |                  |         | x                             |      | short term training course for unemployed in public works' schemes  | 12  |
|                             | Ensure better targeting and increase incentives to work.  | 4b  | decree  | 2012 |                       |                  |         | x                             |      | aid receipt is conditional on job acceptance  | 14  |
| youth unemployment          | Take measures to reduce long-term and youth unemployment by fighting early school leaving,  | 3a  | plan  | 2013 |                       |                  |         | x                             |      | plans, studies and specific measures for targeting groups   | 12  |
| <b>Social policy</b>        |   |     |   |      |                       |                  |         |                               |      |   |   |
| secondary education         | promoting more efficient vocational education and training and its apprenticeship component,  | 3b  | plan  | 2013 |                       |                  |         | x                             |      | support to educational/vocational programmes  | 12  |
| tertiary education          | Continue reforms in higher education, inter alia, by implementing a new financing model that rewards quality, ...   | 7a  | plan  | 2013 |                       |                  | x       |                               |      | studies of the situation by World Bank and ESF  | 21  |
|                             | strengthens links with market needs and research institutions, and avoids fragmentation of budget resources.  | 7b  | plan  | 2013 |                       |                  |         | x                             |      | labour market and studies monitoring  | 21  |
| poverty                     | Tackle high rates of poverty and social exclusion by reforming the social assistance system to make it more efficient, while better protecting the poor.  | 4a  | decree  | 2012 |                       |                  |         |                               | x    | measures to extend aid to more groups, and reform ways of administering by local government, with studies underway on poverty/unemployment/exclusion combatting policies. The measures under the Social Safety Net Strategy target the most disadvantaged groups. | 13  |
| <b>Market policy</b>        |   |     |   |      |                       |                  |         |                               |      |   |   |
| innovation                  | Design and implement an effective research and innovation policy  | 7c  | proposal  | 2013 |                       |                  | x       |                               |      | draft Law on Scientific Activity  | 22  |
|                             | encouraging companies to innovate, including via tax incentives, upgrading infrastructure and rationalising research institutions.  | 7d  | proposal  | 2013 |                       |                  |         | x                             |      | tax deductions for R&D in companies, and support with EU Structural Funds. No mention of research institutes.   | 23  |
| energy                      | Promote competition in major energy networks and improve connectivity with EU energy networks.  | 5b  | projects  | 2013 |                       |                  |         | x                             |      | set up markets + connection in Baltic   | 16  |
| administrative reform       | Take measures to improve management and efficiency of the judiciary, in particular to reduce the backlog and length of procedures.  | 6a  | law   | 2013 |                       |                  |         |                               | x    | Amendments to the Law on Judicial Power approved by Parliament  | 17  |
|                             | Take steps to improve the insolvency regime ...   | 6b  | proposal  | 2013 |                       |                  |         | x                             |      | draft Amendment to Civil Procedure Law under debate in Parliament   | 19  |
|                             | and the mediation laws.   | 6c  | proposal  | 2013 |                       |                  |         | x                             |      | draft Mediation Law under debate in Parliament  | 20  |
| <b>Environment</b>          |   |     |   |      |                       |                  |         |                               |      |   |   |
| green technology            | Further encourage energy efficiency by implementing measures and providing incentives for reducing energy costs and shifting consumption towards energy-efficient products, including vehicles, buildings and heating systems.                                | 5a  | law   | 2012 |                       |                  |         |                               | x    | Law on Energy Efficiency  | 15  |

| LITHUANIA                     |  |     |  |           |                       |               |         |                       |      |   |                        |
|-------------------------------|--|-----|--|-----------|-----------------------|---------------|---------|-----------------------|------|---|------------------------|
| Domain                        | Detailed recommendation  | CSR | measure                                      |           | implementation status |               |         |                       |      | observations  | page reference in NRPs |
|                               |  |     | law, motion, commission, draft, plan, ...    | year      | not done              | not specified | promise | partially implemented | done |   |                        |
| <b>Fiscal policy</b>          |  |     |  |           |                       |               |         |                       |      |   |                        |
| (primary) deficit             | Ensure planned progress towards the timely correction of the excessive deficit. To this end, fully implement the budget for the year 2012 and achieve the structural adjustment effort specified in the Council recommendation under the excessive deficit procedure | 1a  |  |           |                       | x             |         |                       |      | Only states that Lithuania has been reducing the deficit  | 6                      |
| tax                           | In that respect, review and consider increasing those taxes that are least detrimental to growth, such as housing and environmental taxation, including introducing car taxation,  | 1c  | Report                                       | 2013      |                       |               | x       |                       |      | Report to be submitted  | 7                      |
|                               | while reinforcing tax compliance.  | 1d  | Amendments and Plans                         | 2013-2014 |                       |               |         |                       | x    | The State Tax Inspectorate approved the consolidated plan for measures ensuring the fulfilment of tax obligations of and tax collection from tax payers   | 7                      |
| fiscal council                | Strengthen the fiscal framework, in particular by introducing enforceable and binding expenditure ceilings in the medium-term budgetary framework.   | 1e  | Budget measures                              | 2013      |                       |               |         |                       | x    | The Law on Budget Structure has been adjusted, and the Law on Fiscal Discipline imposes spending ceilings   | 6                      |
| pension                       | Adopt legislation on a comprehensive pension system reform.  | 2a  | Legislative amendments                       | 2012-2014 |                       |               |         | x                     |      | Other measures under the pension reform are prepared  | 8 and 9                |
|                               | Align the statutory retirement age with life expectancy, ...   | 2b  |  |           | x                     |               |         |                       |      | The statutory retirement age is not planned to be linked to life expectancy because the pension age is gradually being increased in accordance with the schedule set forth in the Law on State Social Insurance Pensions  | 10                     |
|                               | ...establish clear rules for the indexation of pensions, and improve complementary savings schemes.  | 2c  |  |           | x                     |               |         |                       |      | Not found any comment in the document   |                        |
|                               | Underpin pension reform with active ageing measures  | 2d  | Programme                                    | 2012      |                       |               |         |                       | x    | The Programme for the Development of Competencies of Employees Working in Social Service Agencies and Integral Assistance Development Program were approved in 2012.  | 10                     |
| MTO                           | Thereafter, specify the measures necessary to ensure implementation of the budgetary strategy for the year 2013 and beyond as envisaged, ensuring an adequate structural adjustment effort to make sufficient progress towards the MTO.                              | 1b  | Budget assignments                           | 2013      |                       |               |         | x                     |      | Only states that Lithuania has been reducing the deficit  | 6                      |
| <b>Labour market policy</b>   |  |     |  |           |                       |               |         |                       |      |   |                        |
| labour market structure       | Amend the labour legislation with regard to flexible contract agreements, dismissal provisions and flexible working time arrangements.   | 3d  | Amendment to Law                             | 2012-2015 |                       |               |         | x                     |      | Measures on legislation, action plans and programmes to be launched   | 13 and 14              |
| active labour market          | by focusing resources on active labour market policies while improving their efficiency.   | 3b  | Programs                                     | 2013      |                       |               |         |                       | x    | Active market labour policies through implementation of different models: result-oriented business model, vocational training model, ...  | 12                     |
|                               | Enhance the effectiveness of apprenticeship schemes  | 3c  | Program                                      | 2013      |                       |               | x       |                       |      | Projects are said to be launched in 2013  | 13                     |
| youth unemployment            | Tackle high unemployment, in particular among youth, low-skilled and long-term unemployed,   | 3a  | Plan and Programmes                          | 2012      |                       |               |         |                       | x    | The unemployment among youth is being reduced by implementing an action plan, the project "Raising Youth Employment" and the measure "Support for the First Job". Long-term unemployed and low-skilled people are encouraged to take part in temporary employment projects and projects intended for working skills support | 11 and 12              |
| <b>Market policy</b>          |  |     |  |           |                       |               |         |                       |      |   |                        |
| energy                        | Step up measures to improve the energy efficiency of buildings, including through removing disincentives and a rapid implementation of the holding fund.   | 6a  | Orders and Laws                              | 2012-2013 |                       |               |         |                       | x    | In 2012 several fundings were granted for building modernization projects and renovation of public buildings. In 2013 the Law on Heat Sector as well as the Law of State Support to Acquire or Rent a Housing were amended.   | 18-20                  |
| poverty                       | Increase work incentives and strengthen the links between the social assistance reform and activation measures, in particular for the most vulnerable, to reduce poverty and social exclusion.   | 4   | Provision of social benefits                 | 2012      |                       |               |         |                       | x    |   | 15 and 16              |
| internal market (competition) | Promote competition in energy networks by improving interconnectivity with the Member States for both electricity and gas.   | 6b  | Strategies, Technical projects and contracts | 2012-2013 |                       |               |         | x                     |      | In 2012 and 2013 several infrastructure projects to integrate Lithuania into the EU energy market were set up. Also, in 2012 The Europe's leading Nordic electricity exchange Nord Pool Spot Trade Zone started its operations in Lithuania and the Seimas approved the National Energy Independence Strategy.              | 21-23                  |
|                               | Implement all aspects of the reform package of state-owned enterprises and in particular ensure a separation of ownership and regulatory functions...  | 5a  | Resolution                                   | 2012      |                       |               |         |                       | x    | In 2012 the Government approved the resolution "Regarding the Approval of the Description of the Implementations of State Property and Non-Property Rights of Ownership within State-Owned Enterprises  | 17                     |
|                               | ... and a separation of commercial and non-commercial activities.  | 5b  | Resolution                                   | 2012      |                       |               |         |                       | x    | In 2012 the Government approved profitability ratios for enterprises engaged in commercial activities but not for non-commercial activities firms.  | 17, 18                 |
|                               | Install appropriate monitoring tools to assess the effectiveness of the reforms and ensure compliance of all state-owned enterprises with the requirements of the reform   | 5c  | Commission                                   | 2012      |                       |               |         |                       | x    | The PE State Property Fund was commissioned to carry out the functions of the Governance Management Coordination Centre in order to ensure the monitoring and analysis of the implementation of the reform  | 17                     |

| LUXEMBOURG                  |  |     |  |             |                       |                      |                |                              |              | pages refer to the National plan for smart, sustainable and inclusive growth   |                   |
|-----------------------------|--|-----|--|-------------|-----------------------|----------------------|----------------|------------------------------|--------------|--|-------------------|
| Domain                      | Detailed recommendation  | CSR | measure  |             | implementation status |                      |                |                              | observations |  |                   |
|                             |  |     | <i>law, motion, commission, draft, plan, ...</i> | <i>year</i> | <i>not done</i>       | <i>not specified</i> | <i>promise</i> | <i>partially implemented</i> | <i>done</i>  |  |                   |
| <b>Fiscal policy</b>        |  |     |  |             |                       |                      |                |                              |              |  |                   |
| (primary) deficit           | Preserve a sound fiscal position by correcting any departure from a MTO that ensures the long-term sustainability of public finances, in particular taking into account implicit liabilities related to ageing. To this end, reinforce and rigorously implement the budgetary strategy, supported by sufficiently specified measures, for the year 2013 and beyond, including meeting the expenditure benchmark. | 1   | law  | 2012        |                       |                      |                |                              | x            | Budget Law   | 8 (Annex 1, p. 1) |
| pension                     | Strengthen the proposed pension reform by taking additional measures... in order to ensure the long-term sustainability of the pension system.   | 2a  | law  | 2012        |                       |                      |                |                              | x            | reform of pensions by changing computation and reducing indexation   | 9                 |
| <b>Labour market policy</b> |  |     |  |             |                       |                      |                |                              |              |  |                   |
| labour market structure     | Take further steps to reform, in consultation with the social partners and in accordance with national practice, the wage bargaining and wage indexation system, with a view to preserve the competitiveness of the Luxembourg economy in the longer term, as a first step by maintaining the current one-year indexation.   | 3   | law  | 2012        |                       |                      |                |                              | x            | limited reduction in number of indexations each year, without consultation of social partners  | 13, 14            |
| employability old           | to increase the participation rate of older workers  | 2b  | law  | 2012        |                       |                      |                |                              | x            | cumulate pension and wage, and reclassify older workers  | 9, 10             |
|                             | in particular by preventing early retirement   | 2c  | law  | 2012        |                       |                      |                |                              | x            | early retirement made less attractive financially  | 9, 10             |
|                             | ...and by taking further steps to increase the effective retirement age, including through linking the statutory retirement age to life expectancy,  | 2d  | law  | 2012        |                       |                      |                |                              | x            | lengthen contribution period for higher pension at later age   | 10                |
| youth unemployment          | Continue efforts to reduce youth unemployment by reinforcing stakeholders' involvement, ...  | 4a  | plan   | 2012        |                       |                      |                | x                            |              | measures and actions on Youth Employment Action Plan with social partners to combat youth unemployment   | 14, 15            |
|                             | and by strengthening training and education measures, in particular for those with low education levels, with the aim of better matching young people's skills and qualifications to labour demand.  | 4b  | amendment to law, measures                       | 2012        |                       |                      |                |                              | x            | several measures to improve contracting of young people, implement orientation programmes for youngsters, and improve functioning of public employment service | 15                |
| <b>Environment</b>          |  |     |  |             |                       |                      |                |                              |              |  |                   |
| CO2                         | Ensure that the targets for reducing greenhouse gas emissions from non-ETS (Emissions Trading System) activities will be met, in particular by increasing taxation on energy products.   | 5   | plan   | 2012        |                       |                      |                |                              | x            | several measures to aid energy reductions, increase in fuel tax. Work on the Climate Pact was finished in 2012.  | 16, 17            |

| HUNGARY                       |   |     |   |         |                       |               |         |                       |              |  |         |
|-------------------------------|---|-----|---|---------|-----------------------|---------------|---------|-----------------------|--------------|--|---------|
| Domain                        | Detailed recommendation   | CSR | measure                                   |         | implementation status |               |         |                       | observations | page reference in NRPs   |         |
|                               |   |     | law, motion, commission, draft, plan, ... | year    | not done              | not specified | promise | partially implemented |              |  | done    |
| <b>Fiscal policy</b>          |   |     |   |         |                       |               |         |                       |              |  |         |
| (primary) deficit             | Correct the excessive deficit by 2012 in a durable manner, by implementing the 2012 budget and the subsequently approved consolidation measures, while reducing the reliance on one-off measures. Specify all structural measures necessary to ensure a durable correction of the excessive deficit and to make sufficient progress towards the MTO, including meeting the expenditure benchmark. | 1a  | Decision                                  | 2012    |                       |               |         |                       | x            | Government Decision of 1428/2012   | 199     |
|                               | Specify all structural measures necessary to ensure a durable correction of the excessive deficit and to make sufficient progress towards the MTO, including meeting the expenditure benchmark  | 1b  | Measures                                  | 2012    |                       | x             |         |                       |              | The measures promoting the reduction of general government deficit are presented in detail in the Convergence Programme (p. 31-34). Széll Kálmán Plan  | 199-200 |
| debt                          | Ensure sufficient progress towards compliance with the debt reduction benchmark. Put the public debt ratio on a firm downward path to help mitigate the accumulated acroeconomic imbalances   | 1c  | Act                                       | 2012    |                       |               | x       |                       |              | On 24 September 2012, the Parliament adopted the Act on the Amendment of Act CXCV of 2011 on Hungary's Economic Stability (HES).   | 201     |
| consolidation                 | Revise the cardinal law on economic stability by putting the new numerical rules into a binding medium-term budgetary framework.  | 2a  | Decree                                    | 2013    |                       | x             |         |                       |              | Government Decree No. 4/2013 (I.11.)   | 201     |
| tax                           | Make the taxation of labour more employment-friendly by alleviating the impact of the 2011 and 2012 tax changes on low earners in a sustainable, budget-neutral manner, for example by shifting part of the tax burden to energy taxes and recurrent taxes on property.   | 3a  | Act                                       | 2012    |                       |               | x       |                       |              | The Parliament adopted the Job Protection Act on 1 October 2012.   | 202     |
|                               | Reduce tax compliance costs and establish a stable, lawful and non-distortive framework for corporate taxation.   | 5c  | Act                                       | 2012    |                       |               |         |                       | x            | Job Protection Act; Act CXLVI of 2012. Promulgated: 13 October 2013. Legislative amendments were made. The Act CXLVII of 2012 on the lump-sum tax on small entrepreneurs (KATA) and the small business tax (KIVA) were also elaborated   | 233     |
| fiscal council                | Continue to broaden the analytical remit of the Fiscal Council, with a view to increasing the transparency of public finances.  | 2b  | Act                                       | 2012    |                       | x             |         |                       |              | On 24 September 2012 the Hungarian Parliament adopted Act on the Amendment of Act CXCV of 2011 on Hungary's Economic Stability (HES) and the related T/7669 Amendments   | 202     |
| pension                       | Implement measures envisaged to reduce the administrative burden  | 5a  | Measures                                  | 2013    |                       |               | x       |                       |              | The Hungarian Government adopted a medium-term programme to reduce administrative burdens on entrepreneurs in November 2011. In 10 intervention areas the programme contains 114 measures  | 223-230 |
| <b>Labor market policy</b>    |   |     |   |         |                       |               |         |                       |              |  |         |
| active labour market          | Strengthen measures to encourage women's participation in the labour market, particularly by expanding childcare and pre-school facilities.   | 3b  | Act Projects Programmes                   | 2013    |                       |               | x       |                       |              | Public Education Act becoming effective in September 2012// Projects: SGPOP, STOP, NHOP, CHOP// Programmes: SoROP  | 208-210 |
|                               | Strengthen the activation element in the public work scheme through effective training and job search assistance  | 4b  | Plan                                      | 2011-13 |                       |               |         | x                     |              | National Work Plan (adopted in 2011)// The START Bonus programme started in January 2012 and ends in December 2013 (cards were issued until December 2012). Replaced from 1st January 2013   | 213-217 |
| public employment service     | Strengthen the capacity of the Public Employment Service to increase the quality and effectiveness of training, job search assistance and individualised services, with particular regard for disadvantaged groups  | 4a  | Programmes                                | 2011-14 |                       |               |         | x                     |              | The professional implementation of the project SoROP (Social Renewal Operational Programme) 1.1.2 will take place between 1 May 2011 and 30 April 2015, while that of the project SoROP 1.1.4 will take place between 1 May 2011 and 30 April 2014. (p.210)  | 211-213 |
| discrimination                | Implement the National Social (Roma) Inclusion Strategy, and mainstream it with other policies.   | 4c  | Action Plan                               | 2011-14 |                       |               |         | x                     |              | Government Resolution No. 1430/2011. (13 December) on the National Social Inclusion Strategy and Governmental Action Plan for the Implementation Thereof (2012-2014). Several measures of the Action Plan are under implementation.  | 218-223 |
| <b>Social policy</b>          |   |     |   |         |                       |               |         |                       |              |  |         |
| secondary education           | Prepare and implement a national strategy on early school-leaving by ensuring adequate financing.   | 6a  | Programmes                                | 2012-14 |                       |               |         | x                     |              | In the framework of this measure a national strategy will be drawn up aimed at the reduction of the share of early school leavers. Ongoing, completion of this task can be expected in 2014.   | 240     |
| tertiary education            | Ensure that the implementation of the higher education reform improves access to education for disadvantaged groups.  | 6b  | Decree                                    | 2012    |                       |               |         | x                     |              | Government decree of 1668/2012. Issuance of Government decree of 1668/2012 on 22 December 2012. (Government decree on the reform of Hungarian higher education). Call for applications for the disadvantaged: "A Way to Higher Education". The 2013 call for applications is currently in the preparatory phase.   | 253-254 |
| <b>Market policy</b>          |   |     |   |         |                       |               |         |                       |              |  |         |
| innovation                    | Provide specific well-targeted incentive schemes to support innovative SMEs in the new innovation strategy.   | 5e  | Document                                  | 2012    |                       |               |         |                       | x            | On 6 November 2012, the Ministry for National Economy submitted to social consultation a document titled "National Research, Development and Innovation Strategy 2020". The Government is expected to approve the RDI Strategy in spring 2013.   | 234-238 |
| internal market (competition) | Ensure that public procurement and the legislative process support market competition and ensure a stable regulatory and business-friendly environment for financial and non-financial enterprises, including foreign direct investors.   | 5b  | Act                                       | 2012    |                       |               |         | x                     |              | Act CVIII of 2011. It entered into force on 1 January 2012 (PPA). Government decrees on green public procurement and the social aspects of public procurement are under negotiation.   | 230-232 |
|                               | Remove unjustifiable restrictions on the establishment of large-scale retail premises.  | 5d  |   |         |                       | x             |         |                       |              | the general prohibition temporarily introduced by the regulation is at the service of both commerce as well as sustainability and environment protection through preventing the establishment of retail shops creating and maintaining considerable environmental impact in areas with good commercial services. // The elimination of regulation as an immediate action is, however not justified as the regulation is only temporary and the general prohibition expires on 31 December 2014.  | 41      |
| internal market (services)    | Reform the public transport system to make it more cost efficient   | 7a  | Measures Actions                          | 2012-14 |                       |               |         | x                     |              | Measures aimed at the reorganisation of MÁV and the Volán group are expected to be implemented gradually between 2012 and 2014. //Four main actions planned: (i) Revision of the tariff structure, (ii) reorganisation of the Hungarian State Railways company (MÁV) and reduction of overhead costs, (iii) rationalisation of timetables, and (iv) reorganisation of the Volán group  | 255     |
| energy                        | Increase the cross-border capacities of the electricity network, ensure the independence of the energy regulator and gradually abolish regulated energy prices.   | 7b  | Act                                       | 2013    |                       |               |         | x                     |              | The Act establishing the Office was adopted by Parliament on 14 March 2013 (T/10331).  | 255-256 |
| administrative capacity       | Implement measures envisaged to reduce the administrative burden  | 5a  | Measures Decree                           | 2013-14 |                       |               | x       |                       |              | the Government identified 114 measures within the "Cutting Red Tape" Programme (Hungary's administrative burdens reduction programme) in order to reduce the administrative burden on enterprises.//Due to other policy considerations, the Government cancelled eight of the measures.// Until its meeting on 26 February 2013, the Zoltán Magyar Simplification Working Group, which is responsible for the reduction of administration, approved implementation reports on 93 measures/98% of the simplification of procedures has been closed (the relevant amendments to legislation have been prepared). //Governmental Decree 1589/2012 (17 December) | 223-229 |

| MALTA                       |  |     |   |                       |                       |               |         |                       |      |   |                         |
|-----------------------------|--|-----|---|-----------------------|-----------------------|---------------|---------|-----------------------|------|---|-------------------------|
| Domain                      | Detailed recommendation  | CSR | measure                                   |                       | implementation status |               |         |                       |      | observations  | page reference in NRPs  |
|                             |  |     | law, motion, commission, draft, plan, ... | year                  | not done              | not specified | promise | partially implemented | done |   |                         |
| <b>Fiscal policy</b>        |  |     |   |                       |                       |               |         |                       |      |   |                         |
| (primary) deficit           | Keep the deficit below 3 % of GDP without recourse to one-offs   | 1b  | Plan                                      |                       |                       |               | x       |                       |      | They expect the current deviation to be temporary and exceptional   | 44 of NRP, 2 of Annex 1 |
| debt                        | Compliance with the debt reduction benchmark   | 1e  |   |                       |                       |               | x       |                       |      | The revised fiscal framework includes the enhanced Stability and Growth Pact which places greater emphasis on the correction of debt dynamics   | 166 of NRP              |
| consolidation               | Continue fiscal consolidation at an appropriate pace thereafter, so as to make sufficient progress towards the MTO   | 1c  | Plan                                      | 2013                  |                       |               |         |                       | x    | After the EDP abrogation, Malta has to ensure progress towards the MTO in line with the SGP   | 2 of Annex 1            |
| tax                         | Increase tax compliance and fight tax evasion, and reduce incentives towards indebtedness in corporate taxation.   | 1g  | Plan                                      | Future                |                       |               | x       |                       |      | The Ministry of Finance has finalised the necessary research on fiscal frameworks and fiscal councils, with work on the legislation reaching an advanced stage  | 3 of Annex 1            |
| spending                    | Meet the expenditure benchmark   | 1d  | Plan                                      | 2013                  |                       |               | x       |                       |      | Efficiency in public spending and tax collection  | 2 of Annex 1            |
| fiscal rules                | Implement, by end-2012 at the latest, a binding, rule-based multi-annual fiscal framework.   | 1f  |   |                       |                       |               | x       |                       |      | The Ministry of Finance has finalised the necessary research on fiscal frameworks and fiscal councils, with work on the legislation reaching an advanced stage  | 3 of Annex 1            |
| pension                     | Take action, without further delay, to ensure the long-term sustainability of the pension system   | 2a  | Reform                                    | Future                |                       |               |         | x                     |      | Report of the pension working group: Intensive discussions need to be held within Government on this matter since now that the technical work has been done, the next step pertains to the charting of the political way forward. | 5 of Annex 1            |
| MTO                         | Reinforce the budgetary strategy in 2012 with additional permanent measures so as to ensure adequate progress towards the MTO  | 1a  |   |                       |                       |               | x       |                       |      | Malta will continue to aim for a balanced budgetary position net of one-off and temporary measures over the cycle as its medium-term objective (MTO)  | 28 of SCP               |
| <b>Labour market policy</b> |  |     |   |                       |                       |               |         |                       |      |   |                         |
| labour productivity         | Take the necessary further steps to reform, in consultation with social partners and in accordance with national practices, the system of wage bargaining and wage indexation, so as to better reflect developments in labour productivity and reduce the impact | 4   | Draft                                     | No action is required | x                     |               |         |                       |      | The review showed that COLA appears to have a marginal impact on developments in the labour market and competitiveness more generally in Malta. They are not going to change the indexation that they use                         | 11 of Annex 1           |
| labour market structure     | Pursue policy efforts in the education system to match the skills required by the labour market  | 3b  | Draft                                     | Future                |                       |               | x       |                       |      | A draft Lifelong Learning Strategy, so they are supposed to be working in this area   | 8 of Annex 1            |
|                             | Enhance the provision and affordability of more childcare and out-of-school centres, with the aim of reducing the gender employment gap  | 3c  | Plan                                      | 2012, 2013 and 2014   |                       |               |         | x                     |      | They are opening childcare centres to complete the plan, which will be completed by the end of 2014   | 8 of Annex 1            |
|                             | Increase in the effective retirement age, including through a significant acceleration of the progressive increase in the statutory retirement age   | 2b  | Draft                                     | Future                |                       |               |         | x                     |      | They are evaluating developments in this area prior to considering further reforms of the pension system  | 4 of Annex 1            |
|                             | Increase the participation of older workers and discourage the use of early retirements  | 2c  | Plan                                      | Future                |                       |               |         | x                     |      | The measure is still currently being implemented and is too early to assess its effects   | 5 of Annex 1            |
| <b>Social policy</b>        |  |     |   |                       |                       |               |         |                       |      |   |                         |
| secondary education         | Take steps to reduce the high rate of early school leaving.  | 3a  | Plan                                      | 2013                  |                       |               |         |                       | x    | On 5 April 2013, the Ministry of Education and Employment launched an Early School Leaving Strategy   | 6 and 7 of Annex 1      |
| <b>Market policy</b>        |  |     |   |                       |                       |               |         |                       |      |   |                         |
| energy                      | Completing the electricity link with Sicily  | 5b  | Project                                   | 2012-2014             |                       |               |         | x                     |      | The project is delayed beyond the expected end date to Q1/Q2 2014   | 11 of Annex 1           |
| <b>Environment</b>          |  |     |   |                       |                       |               |         |                       |      |   |                         |
| green technology            | In order to reduce Malta's dependence on imported oil, step up efforts to promote energy efficiency and increase the share of energy produced from renewable sources by carefully monitoring the existing incentivising mechanisms                               | 5a  | Project                                   | 2012-2014             |                       |               |         | x                     |      | Depends on the type of energy, the recommendation has been fulfilled  | 11 of Annex 1           |
| <b>Financial market</b>     |  |     |   |                       |                       |               |         |                       |      |   |                         |
| banking system              | Take measures to further strengthen the provisions for loan impairment losses.   | 6b  | Amendments to the banking rule            | 2013                  |                       |               |         | x                     |      | Still under consultation and implementation   | 16 of Annex 1           |
| housing market              | To strengthen the banking sector, take measures to mitigate potential risks arising from the large exposure to the real estate market.   | 6a  | Amendments to the banking rule            | 2013                  |                       |               |         | x                     |      | Still under consultation and implementation   | 16 of Annex 1           |



| NETHERLANDS                 |  |     |   |            |                       |                  |         |                              |              |   | page<br>reference in<br>NRPs |
|-----------------------------|--|-----|---|------------|-----------------------|------------------|---------|------------------------------|--------------|---|------------------------------|
| Domain                      | Detailed recommendation  | CSR | measure   |            | implementation status |                  |         |                              | observations |   |                              |
|                             |  |     | law, motion,<br>commission,<br>draft, plan, ... | year       | not<br>done           | not<br>specified | promise | partially<br>impleme<br>nted | done         |   |                              |
| <b>Fiscal policy</b>        |  |     |   |            |                       |                  |         |                              |              |   |                              |
| (primary) deficit           | Ensure timely and durable correction of the excessive deficit. To this end, fully implement the budgetary strategy for 2012 as envisaged. Specify the measures necessary to ensure implementation of the 2013 budget with a view to ensuring the structural adjustment effort specified in the Council recommendations under the excessive deficit procedure. To this end, after the formation of a new Government, submit an update of the 2012 Stability Programme with substantiated targets and measures for the period beyond 2013. | 1a  |   |            |                       |                  | x       |                              |              | description of government plan, commitment to follow up on EDP  | 8 (SCP, p. 7-8)              |
| spending                    | protecting expenditure in areas directly relevant for growth such as research and innovation, education and training.  | 1c  |   |            |                       | x                |         |                              |              | government plans investment in these categories   | 8                            |
| pension                     | Take measures to increase the statutory retirement age, including linking it to life expectancy, ...   | 2a  | law   | 2012       |                       |                  |         |                              | x            | General Old Age Pensions Act  | 9                            |
|                             | and underpin these with labour market measures to support raising the effective retirement age, whilst improving the long-term sustainability of public finances.  | 2b  | law   | 2009-2011  |                       |                  |         |                              | x            | previous government policies continued (started in 2009)  | 10                           |
|                             | Adjust the second pension pillar to mirror the increase in the statutory retirement age, while ensuring an appropriate intra- and inter-generational division of costs and risks.  | 2c  | proposal  | 2012       |                       |                  |         |                              | x            | Raising of the State Pension and Standard Pension Retirement Age Act  | 9, 10                        |
|                             | Implement the planned reform in long-term care and complement it with further measures to contain the increase in costs, in view of an ageing population.  | 2d  | proposal  | 2013       |                       |                  |         | x                            |              | some measures implemented while others under discussion with local authorities and other partners                             | 10                           |
| MTO                         | Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark, and ensure sufficient progress towards compliance with the debt reduction benchmark  | 1b  |   |            |                       |                  | x       |                              |              | description of government plan for spending limits and assessment of economic situation in budget planning                    | 8 (SCP, p. 7-8)              |
| <b>Labour market policy</b> |  |     |   |            |                       |                  |         |                              |              |   |                              |
| employability old           | Enhance participation in the labour market, particularly of older people, women, and people with disabilities and migrants, including by ..., fostering labour market transitions, and addressing rigidities.  | 3a  | proposal  | 2013-2015  |                       |                  | x       |                              |              | several measures set up and to be implemented in 2015   | 11-14                        |
| discrimination              | further reducing tax disincentives for second-income earners   | 3b  | proposal  | 2014-2015  |                       |                  | x       |                              |              | to be phased in after 2014  | 11                           |
| <b>Market policy</b>        |  |     |   |            |                       |                  |         |                              |              |   |                              |
| innovation                  | Promote innovation, private R&D investment and closer science-business links,  | 4a  | law   | 2008-2012  |                       |                  |         |                              | x            | continuation of policy by previous government: more financing, incorporation SME, focus on top sectors, stimulate private R&D | 16                           |
| business                    | as well as foster industrial renewal by providing suitable incentives in the context of the enterprise policy, ...   | 4b  | decree  | 2012, 2013 |                       |                  |         |                              | x            | less tax credit for R&D, more support to SMEs   | 16-17                        |
|                             | while safeguarding accessibility beyond the strict definition of top sectors and preserving fundamental research.  | 4c  | decree  | 2014       |                       |                  |         | x                            |              | NWO fundamental research budget increased, but with focus on top sectors, as from 2014  | 17                           |
| <b>Financial market</b>     |  |     |   |            |                       |                  |         |                              |              |   |                              |
| housing market              | Take steps to gradually reform the housing market, including by: (i) modifying the favourable tax treatment of home ownership, including by phasing out mortgage interest deductibility and/or through the system of imputed rents,  | 5a  | law   | 2013       |                       |                  |         |                              | x            | reducing tax credits on mortgages, but no phase-out   | 19                           |
|                             | (ii) providing for a more market-oriented pricing mechanism in the rental market, and  | 5b  | law   | 2013       |                       |                  | x       |                              |              | Act to Valuate Immovable Property to set prices on market   | 19                           |
|                             | (iii) for social housing, aligning rents with household income.  | 5c  | amendment                                       | 2013       |                       |                  | x       |                              |              | decoupling income from rent   | 20                           |

| AUSTRIA                       |  |     |   |           |                       |                  |         |                              |      |   | page<br>reference<br>in NRPs |
|-------------------------------|--|-----|---|-----------|-----------------------|------------------|---------|------------------------------|------|---|------------------------------|
| Domain                        | Detailed recommendation  | CSR | measure   |           | implementation status |                  |         |                              |      | observations  |                              |
|                               |  |     | law, motion,<br>commission,<br>draft, plan, ... | year      | not<br>done           | not<br>specified | promise | partially<br>implement<br>ed | done |   |                              |
| <b>Fiscal policy</b>          |  |     |   |           |                       |                  |         |                              |      |   |                              |
| (primary) deficit             | Implement the 2012 budget as envisaged and reinforce and rigorously implement the budgetary strategy for the year 2013 and beyond; Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark. | 1a  |   |           |                       |                  |         | x                            |      | discussion of budget plan: measures envisaged in the budget package have been implemented ... and contributed to structural consolidation ... deficit below the benchmark level of 3% of GDP two years earlier than recommended | 4                            |
| tax                           | Shift the tax burden in a budgetary neutral way, towards real estate taxes, and environmental taxes.   | 4d  | law   | 2012      |                       |                  |         |                              | x    | Budget Law to increase VAT, reform property tax, and reduce some tax deductions   | 11                           |
| pension                       | Bring forward the harmonisation of the statutory retirement age between men and women;   | 3a  | law   | 2011      | x                     |                  |         |                              |      |   | 7                            |
|                               | monitor closely the implementation of the recent reforms restricting access to early exit channels in order to ensure that the effective retirement age is rising including through linking the statutory retirement age to life expectancy.   | 3c  | law   | 2012      |                       |                  |         |                              | x    | several measures restricting access to special pension schemes (Budgetbegleitgesetz of 2011, Stabilitätsgesetz of 2012 and SRÄG of 2012)  | 8-9 (Annex 1, p. 9-11)       |
| regions                       | sufficiently specify measures (in particular at the sub-national level), to ensure a timely correction of the excessive deficit and the achievement of the average annual structural adjustment effort specified in the Council Recommendations under the EDP.                           | 1b  | law   | 2012      |                       |                  | x       |                              |      | reform of the Austrian Internal Stability Pact, but consolidation to be implemented   | 5                            |
|                               | Take further steps to strengthen the national budgetary framework by aligning responsibilities across the federal, regional and local levels of government, ...  | 2a  | law   | 2012      |                       |                  |         |                              | x    | reform of the Austrian Internal Stability Pact  | 5 (Annex 1 p. 4)             |
|                               | in particular by implementing concrete reforms aimed at improving the organisation, financing and efficiency of healthcare ...   | 2b  | agreement                                       | 2012      |                       |                  |         |                              | x    | cap health expenditure + e-health   | 7                            |
|                               | ... and education  | 2c  | discussion                                      | 2013      |                       |                  | x       |                              |      | discussion of reform  | 7                            |
| <b>Labour market policy</b>   |  |     |   |           |                       |                  |         |                              |      |   |                              |
| active labour market          | Take steps to reduce the effective tax and social security burden on labour  | 4a  | law   | 2012      |                       |                  |         |                              | x    | Budget Law to increase consumption taxes and environmental taxes, but not labour taxes  | 10-11                        |
|                               | especially for low income earners  | 4b  | law   | 2013      |                       |                  |         | x                            |      | Budget Law to give transport deduction to low income earners, but no other measures taken   | 10                           |
| employability old             | enhance older workers' employability and   | 3b  | reform  | 2013      |                       |                  |         |                              | x    | several measures for keeping older people at work started in 2013   | 7-8                          |
|                               | in order to ensure that the effective retirement age is rising including through linking the statutory retirement age to life expectancy.  | 3d  | measures  |           |                       | x                |         |                              |      | the NRP mentions measures for raising retirement age, but provides no detail  | 8                            |
| discrimination                | ...with a view to increase employment rates for older persons and women given the need to counteract the impact of demographic change on the working population.   | 4c  | plan  | 2011-2013 |                       |                  |         |                              | x    | see also CSR 3b, National Action Plan with several measures on gender wage differences, childcare, insertion, disabled people, etc.   | 11-12, 34                    |
|                               | Reduce the high gender pay gap and enhance full-time employment opportunities for women, in particular through the provision of additional care services for dependants.   | 4e  | plan  | 2011-2013 |                       |                  |         |                              | x    | National Action Plan with several measures on gender wage differences, childcare, insertion, etc for women  | 11-12, 15                    |
| <b>Social policy</b>          |  |     |   |           |                       |                  |         |                              |      |   |                              |
| secondary education           | Continue to implement measures to improve educational outcomes, especially of disadvantaged young people.  | 5a  | amendment law, measures                         | 2011-2013 |                       |                  |         |                              | x    | reform of secondary school system + measures on lifelong learning, adult learning, language teaching for disadvantaged/migrant groups, early school leavers, upgrade curricula and teacher training                             | 13-15                        |
| tertiary education            | Take measures to reduce drop-outs from higher education.   | 5b  | decree, administrative instruments              | 2011-2013 |                       |                  |         |                              | x    | several measures on university funding, student grants and student guidance   | 14-15, 18                    |
| <b>Market policy</b>          |  |     |   |           |                       |                  |         |                              |      |   |                              |
| internal market (competition) | Take further steps to foster competition, in the services sectors, by removing barriers to market entry in the communications, transport and energy retail markets.  | 6a  | law   | 2010      |                       |                  |         | x                            |      | Third Energy Package Directive transposed into national law, measures to spur consumer switching in gas market, but not in other network markets  | 19                           |
|                               | Enhance the powers of the federal competition authority and speed up the implementation of the competition law reform.   | 6c  | amendment to law                                | 2013      |                       |                  |         |                              | x    | embolden powers of competition authority  | 20                           |
| internal market (services)    | Where unjustified restrictions on access to liberal professions exist, they should be removed.   | 6b  | amendment to law                                | 2013      |                       |                  |         | x                            |      | access eased to several professions (dentists, accountants, guides and photographers), but no general reform  | 20                           |
| <b>Financial market</b>       |  |     |   |           |                       |                  |         |                              |      |   |                              |
| banking system                | Further restructure and continue to monitor those banks that benefited from public support, while avoiding excessive deleveraging.   | 7a  | law   | 2009-2012 |                       |                  |         | x                            |      | insolvency law and intervention in some banks, with draft legislation on increased power for Financial Market Authority   | 22                           |
|                               | Further improve the cooperation and coordination of national policy decisions with financial sector supervisors in other countries.  | 7b  | plan  | 2012      |                       |                  |         |                              | x    | cross-border stability group discussion with CESEE countries  | 21                           |

| POLAND                              |   |     |  |                       |             |                  |         |                              |              |   | page<br>reference<br>in NRPs |
|-------------------------------------|---|-----|--|-----------------------|-------------|------------------|---------|------------------------------|--------------|---|------------------------------|
| Domain                              | Detailed recommendation   | CSR | measure  | implementation status |             |                  |         |                              | observations |   |                              |
|                                     |   |     | law, motion, commission,<br>draft, plan, ...                           | year                  | not<br>done | not<br>specified | promise | partially<br>implement<br>ed | done         |   |                              |
|                                     |   |     |  |                       |             |                  |         |                              |              |   |                              |
| <b>Fiscal policy</b>                |   |     |  |                       |             |                  |         |                              |              |   |                              |
| (primary) deficit                   | Ensure planned progress towards the correction of the excessive deficit. To this end, fully implement the budget for the year 2012 and achieve the structural adjustment effort specified in the Council recommendations under the EDP. Thereafter, specify the measures necessary to ensure implementation of the budgetary strategy for the year 2013 and beyond as envisaged | 1a  |  |                       |             |                  |         | x                            |              | There is no mention of the CSR 1 in the NRP document. On SCP: Poland should reduce the excessive deficit by 2012, e.g. by reducing the structural deficit by at least 114 percentage points of GDP in the period 2010-12. However, due to the slowdown of economic growth, reduction of the nominal deficit was lower.                  | 12 SCP                       |
| tax spending                        | Improve tax compliance.   | 1d  |  |                       |             | x                |         |                              |              |   |                              |
|                                     | Minimise cuts in growth-enhancing expenditure in the future.  | 1c  |  |                       |             | x                |         |                              |              |   |                              |
| fiscal rules                        | Speed up the reform of the fiscal framework by enacting legislation with a view to introducing a permanent expenditure rule by 2013. This rule should be consistent with the ESA.   | 2a  | Draft Act  | 2013                  |             |                  | x       |                              |              | The assumptions of the draft act is to be adopted by the Government in Q3 2013.   | 90                           |
| pension                             | Tackle entrenched practices of early retirement to increase exit ages from the labour market.   | 4c  | Law (Act amending the Act on pensions)                                 | 2012-2014             |             |                  |         |                              | x            | On 11 May 2012 the Parliament adopted the Acts raising the retirement age. The Act amending the Act on pensions from the Social Insurance Fund and certain other Acts has entered into force on 1 January 2013, initiating the process of gradual raising of the retirement age   | 10, 78                       |
|                                     | Phase out the special pension scheme for miners with a view to integrating them into the general scheme.  | 4d  | Law (Act amending the Act on pensions)                                 | 2013-2014             |             |                  |         |                              | x            |   | 19                           |
|                                     | Take more ambitious, permanent steps to reform the KRUS   | 4e  | Draft  | 2013-2014             |             |                  | x       |                              |              | The concept of the reform of social insurance system for farmers is to be developed after prior implementation of obligatory accounting system in agricultural holdings   | 19                           |
| region                              | Take measures to strengthen the mechanisms of coordination among the different levels of government in the medium-term and annual budgetary processes.  | 2b  |  |                       |             | x                |         |                              |              |   |                              |
| MTO                                 | Ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark.   | 1b  |  |                       |             | x                |         |                              |              |   |                              |
| <b>Labour market policy</b>         |   |     |  |                       |             |                  |         |                              |              |   |                              |
| labour market structure             | Reinforce efforts to increase the labour market participation of women.   | 4a  | Reform of labour market is prepared in a draft                         | 2013                  |             |                  |         |                              | x            | Implementation of the "Toddler" Programme for co-financing current expenditure related to maintaining the places of care for children up to 3 years of age. In addition, implementation of the new Measure under the Human Capital Operational Programme. Future reform of the labour market+Programme- As year: 2012-2013.             | 12, 13, 74                   |
|                                     | To combat labour market segmentation and in-work poverty, limit excessive use of civil law contracts and extend the probationary period to permanent contracts.   | 3c  | Reform of labour market is prepared in a draft                         | 2012-2014             |             |                  |         |                              | x            | Ordinance increasing the minimum wage and several programmes against poverty, social exclusion, ..  | 46-52                        |
| youth unemployment                  | To reduce youth unemployment, increase the availability of apprenticeships and work-based learning, improve the quality of vocational training and adopt the proposed lifelong learning strategy.   | 3a  | Programme  | 2012-2014             |             |                  |         |                              | x            | Implementation of the "Young people on the labour market" programme, which provides for several measures in the field of professional activation of persons under 30, began in 2012. They also are planning a Reform of the labour market policy for 2013-2014.   | 11, 45                       |
|                                     | Better match education outcomes with the needs of the labour market and improve the quality of teaching   | 3b  | Acts   | 2012-2014             |             |                  |         |                              | x            | Reform of the Act on Higher Education Law, Act on education scientific degrees and titles, and Act on education system  | 40                           |
| <b>Social policy</b>                |   |     |  |                       |             |                  |         |                              |              |   |                              |
| innovation                          | Take additional measures to ensure an innovation-friendly business environment, by ensuring better links between research, innovation and industry, and by establishing common priority areas and instruments supporting the whole innovation cycle   | 5a  | Programme  | 2013-2014             |             |                  |         |                              | x            | The work on the Strategy for Innovation and Efficiency of the Economy "Dynamic Poland 2020", adopted by the Council of Ministers on 15 January 2013, was finalised. The draft of Enterprises Development Programme (EDP) until 2020, ...  | 21, 22, 79                   |
|                                     | Improve access to finance for research and innovation activities through guarantees and bridge financing  | 5b  | Work on amending the Act – Higher Education Law and certain other acts | 2013-2014             |             |                  |         |                              | x            | Work on establishing a comprehensive system for financing the creation and maintenance of infrastructure of national and regional significance will be carried out in order to ensure high quality of the research and development infrastructure. Work on introducing amendments in the tax acts for the benefit of scientific bodies. | 23                           |
| education                           | Raise enrolment rates of children in both early childcare and pre-school education, by ensuring stable funding and investment in public infrastructure, the provision of qualified staff, and affordable access.  | 4b  | Act amending the Act on care for children below 3 years                | 2013                  |             |                  |         |                              | x            | The Ministerial programme for the development of childcare institutions for children aged up to 3 years "Toddler" ("Maluch") will be implemented in 2013 in order to improve the accessibility of places in childcare institutions for children up to the age ..  | 15, 16, 76                   |
| <b>Market policy</b>                |   |     |  |                       |             |                  |         |                              |              |   |                              |
| energy                              | Speed up the development of the electricity grid, including cross-border interconnections   | 6b  | Draft  | 2012-2013             |             |                  |         |                              | x            | The draft of the Act on transmission corridors  | 32, 38                       |
|                                     | Eliminate obstacles in electricity cross border exchange  | 6c  | Draft  | 2012-2013             |             |                  |         |                              | x            | The draft of the Act on transmission corridors  | 32, 38                       |
| internal market (competition)       | Strengthen competition in the gas sector by phasing out regulated prices and by creating a gas trading platform.  | 6d  | Draft on Act of Gas law  | 2013                  |             |                  |         |                              | x            | January 2013 presentation of the Draft Act. Expected date of adoption 2013  | 85                           |
| internal market (industrial policy) | Strengthen the role and resources of the railway market regulator   | 6e  | Programme  | 2013-2015             |             |                  |         |                              | x            | Implementation of infrastructure projects from the Railway Investment Multiannual Programme until 2015  | 53, 86                       |
|                                     | Ensure effective and swift implementation of railway investment projects  | 6f  | Programme  | 2007-2013             |             |                  |         |                              | x            | Implementation of railway investment projects carried out under the Infrastructure and Environment Operational Programme 2007–2013  | 53, 86                       |
| internal market (services)          | Reduce restrictions on professional services  | 6g  | Draft of Act amending the Act  | 2012                  |             |                  |         |                              | x            | On 25 September 2012 the Council of Ministers adopted a draft Act on repealing or amending act regulating the pursuit of certain professions. The next stage of the reform is the drafted 2nd Deregulation Act (2013-2014)  | 55                           |
|                                     | Simplify contract enforcement and requirements for construction permits   | 6h  | Draft of Act amending the Act  | 2012-2014             |             |                  |         |                              | x            | Action aimed at initiating legislative work on the draft framework for the Act amending the Act – Construction Law was continued.   | 54                           |
| <b>Environment</b>                  |   |     |  |                       |             |                  |         |                              |              |   |                              |
| green technology                    | Investments in renewable energy sources   | 6a  | Draft and acts   | 2013                  |             |                  |         |                              | x            | Drafts on Act on renewable energy sources: Act on biocomponents and liquid fuels  | 83                           |

| SLOVENIA                      |  |     |   |      |                       |                  |         |                           |      |              | page referenc<br>in NRPs  |                            |
|-------------------------------|--|-----|---|------|-----------------------|------------------|---------|---------------------------|------|--------------|---|----------------------------|
| Domain                        | Detailed recommendation  | CSR | measure   |      | implementation status |                  |         |                           |      | observations |   |                            |
|                               |  |     | law, motion,<br>commission,<br>draft, plan, ... | year | not<br>done           | not<br>specified | promise | partially<br>implem<br>ed | done |              |   |                            |
| <b>Fiscal policy</b>          |  |     |   |      |                       |                  |         |                           |      |              |   |                            |
| (primary) deficit             | Implement the 2012 budget, and reinforce the budgetary strategy for 2013 with sufficiently specified structural measures, standing ready to take additional measures so as to ensure a correction of the excessive deficit in a sustainable manner by 2013 and the achievement of the structural adjustment effort specified in the Council recommendations under the excessive deficit procedure. Thereafter, ensure an adequate structural adjustment effort to make sufficient progress towards an appropriate MTO for the budgetary position, including meeting the expenditure benchmark. | 1a  | law   | 2012 |                       |                  |         | x                         |      |              | revised Budget Law in May 2012, and Fiscal Balance Act. Budget Law 2013 is schedule for 2014 too, but calculates a revision may be necessary in 2013.   | 32-36                      |
| fiscal rules                  | Strengthen the medium-term budgetary framework, including the expenditure rule, by making it more binding and transparent.   | 1b  | draft   | 2013 |                       |                  |         | x                         |      |              | amendments to Fiscal Balance Act under discussion   | page 7 of Appendix 1       |
| pension                       | Take urgent steps to ensure the long-term sustainability of the pension system, while preserving the adequacy of pensions, by: (i) equalising the statutory retirement age for men and women;  | 2a  | amendment law                                   | 2013 |                       |                  |         |                           |      | x            | Pension Disability and Insurance Act  | 36                         |
|                               | (ii) ensuring an increase in the effective retirement age, including through linking the statutory retirement age to life expectancy;  | 2b  | amendment law                                   | 2013 |                       |                  |         |                           |      | x            | Pension Disability and Insurance Act  | 36                         |
|                               | (iii) reducing early retirement possibilities;   | 2c  | amendment law                                   | 2013 |                       |                  |         |                           |      | x            | Pension Disability and Insurance Act  | 36                         |
|                               | and (iv) reviewing the indexation system for pensions.   | 2d  | amendment law                                   | 2013 |                       |                  |         |                           |      | x            | Pension Disability and Insurance Act  | 36                         |
| <b>Labour market policy</b>   |  |     |   |      |                       |                  |         |                           |      |              |   |                            |
| labour productivity           | Improve the matching of skills with labour market demand, particularly of low-skilled workers and tertiary graduates, and ...  | 5a  | law   | 2013 |                       |                  |         |                           |      | x            | done for tertiary graduates and young workers (Labour Regulation Act) with measures underway for vocational and secondary schools   | 45                         |
| labour market structure       | Adjust employment protection legislation as regards permanent contracts in order to reduce labour market segmentation, in consultation with social partners and in accordance with national practices.   | 4a  | law   | 2013 |                       |                  |         |                           |      | x            | Employment Relationships Act to reduce dualism of labour market   | 41                         |
| active labour market          | Following consultation with social partners and in accordance with national practice, ensure that wage growth, including minimum wage adaptation, supports competitiveness and job creation.   | 7   | agreement                                       | 2012 |                       |                  |         | x                         |      |              | Social Contract and Fiscal Balance Act only address freeze on public wages  | 47                         |
| employability old             | Increase the employment rate of older workers also by further developing active labour market policies and lifelong learning measures.   | 2e  | law   | 2013 |                       |                  |         |                           |      | x            | Labour Market Regulation Act (and the Pension and Disability Act) creates new types of contract for elderly people, bonus for older persons, but employer benefit for employing older people, and life long learning measures   | 37-39                      |
| youth unemployment            | Further tackle the parallel labour market caused by student work.  | 4b  | law   | 2013 |                       |                  |         |                           |      | x            | Personal Income Tax Act to reduce favourable treatment  | 44                         |
| <b>Social policy</b>          |  |     |   |      |                       |                  |         |                           |      |              |   |                            |
| secondary education           | continue reforms of vocational education and training.   | 5b  | draft   | 2013 |                       |                  |         |                           |      | x            | draft of measures to connect companies to schools, course development, etc. under discussion  | 45                         |
| <b>Market policy</b>          |  |     |   |      |                       |                  |         |                           |      |              |   |                            |
| internal market (competition) | Take further steps to strengthen market opening and speed up the reorganisation of professional services.  | 6a  |   |      |                       |                  |         | x                         |      |              | no discussion of professional services market   | .                          |
|                               | Improve the business environment through: (i) implementing the reform of the Competition Protection Office,  | 6b  | law   | 2012 |                       |                  |         |                           |      | x            | Competition Act makes Office independent  | 46                         |
|                               | (ii) establishing a framework for state-owned enterprises guaranteeing arms-length management and high standards of corporate governance, and ...  | 6c  | law   | 2012 |                       |                  |         |                           |      | x            | Sovereign Holding Slovenia set up   | 46                         |
|                               | (iii) improving bankruptcy procedures, in particular in terms of timeliness and efficiency.  | 6d  | law   | 2013 |                       |                  |         |                           |      | x            | Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act   | 47 (page 23 in Appendix 1) |
| <b>Financial market</b>       |  |     |   |      |                       |                  |         |                           |      |              |   |                            |
| banking system                | Take the required steps to build sufficient capital buffers in the banking sector and ...  | 3a  | law   | 2012 |                       |                  |         |                           |      | x            | Stability of Banks Act  | 39, 40                     |
|                               | strongly promote the cleaning of balance sheets so that appropriate lending to productive activities can resume.   | 3b  | law   | 2012 |                       |                  |         |                           |      | x            | legal basis for transferring banks' non-performing assets to the Bank Assets Management Company and, as a second step, the opportunity to recapitalise banks if the transfer of these non-performing assets does not result in the banks' capital requirements being met. | 39, 40                     |
|                               | Obtain fully-fledged third party verification of systemically important banks' stress loan-loss estimates.   | 3c  | plan  | 2012 |                       |                  |         |                           |      | x            | done by the European Resolution Capital Partners , but the results are not published  | page 14 of Appendix 1      |

| SLOVAKIA                    |  |     |   |                       |          |               |         |                       |              |  | page reference in NRP              |
|-----------------------------|--|-----|---|-----------------------|----------|---------------|---------|-----------------------|--------------|--|------------------------------------|
| Domain                      | Detailed recommendation  | CSR | measure   | implementation status |          |               |         |                       | observations |  |                                    |
|                             |  |     | law, motion, commission, draft, plan, ...               | year                  | not done | not specified | promise | partially implemented | done         |  |                                    |
| <b>Fiscal policy</b>        |  |     |   |                       |          |               |         |                       |              |  |                                    |
| (primary) deficit           | Take additional measures in 2012 and specify the necessary measures in 2013, to correct the excessive deficit in a sustainable manner and ensure the structural adjustment effort specified in the Council recommendations under the excessive deficit procedure                     | 1a  |   | 2012                  |          |               |         |                       | x            | First package of consolidation measures were approved by the Government and the majority of related laws by the National Council. Second package of measures approved by the Government  | 10, 24 of NRP and 1 of Annex       |
| tax                         | Increase tax compliance, in particular by improving the efficiency of VAT collection   | 2a  | Draft, law  | 2012-2015             |          |               |         | x                     |              | Plan of action to fight tax fraud  | 25, 12 of NRP and 2 and 3 of Annex |
|                             | Reduce distortions in taxation of labour across different employment types, also by limiting tax deductions  | 2b  | Law   | 2012                  |          |               |         |                       | x            | The amendment to the Act on Social Insurance and on amendments to certain acts was approved. Elimination of certain exemptions of self-employed individuals and cancellation of on-call work except for students   | 1 of Annex                         |
|                             | Link real estate taxation to the market value of property  | 2c  |   | 2013-2015             |          |               | x       |                       |              | Concrete proposals could be finalised in the course of 2013 and a new system introduced by 2015.   | 3 of Annex                         |
|                             | Make greater use of environmental taxation   | 2d  | Draft   | 2012                  |          |               | x       |                       |              | Economic analysis of possible introduction of a carbon tax in Slovakia is in its final stage.  | 2 of Annex                         |
| spending                    | Implement targeted spending cuts, while safeguarding growth-enhancing expenditure, and step up efforts to improve the efficiency of public spending.   | 1b  | Plan  | 2013                  |          |               |         | x                     |              | General government budget proposal for 2014-2016   | 11 of NRP and 3 of Annex           |
| fiscal rules                | Adopt rules on expenditure ceilings.   | 1c  | Law. Amendment to the Budgetary Rules Act               | 2013                  |          |               | x       |                       |              |  | 24 of NRP and 4 of Appendix        |
| fiscal council              | Accelerate the setting up of the Fiscal Council  | 1d  | Law   | 2012                  |          |               |         |                       | x            | The National Council of the Slovak Republic elected members of the Fiscal Responsibility Council on 27 June 2012.  | 11 of NRP and 1 of Annex           |
| pension                     | Further adjust the pay-as-you-go pension pillar  | 3a  | amendment to Act No. 461/2003 Coll. on Social Insurance | 2012                  |          |               |         |                       | x            | Changes made in the pension system have enhanced its long-term sustainability. As regards the pay-as-you-go pension system pillar, an increase in pensions by a fixed amount was introduced, with a gradual transition back to the pensioners-inflation-based  | 13 of NRP and 1 of Annex           |
|                             | Introducing a direct link between the statutory retirement age and life expectancy   | 3b  | Amendment to the Act on Old-age Pension Saving Scheme   | 2012                  |          |               |         |                       | x            | amendment to Act No. 43/2004 Coll. on the old-age pension saving scheme was approved by the National Council on 10 August 2012   | 2 of Annex                         |
|                             | Sustainability factor in the pension calculation formula reflecting demographic change   | 3c  | Amendment to the Act on Old-Age Pension Saving Scheme   | 2013                  |          |               | x       |                       |              |  | 4 of Annex                         |
|                             | Ensure the stability and viability also of the fully funded pillar   | 3d  | amendment to Act on Social Insurance                    | 2012                  |          |               |         |                       | x            | The amendment to Act No. 461/2003 Coll. on Social Insurance was approved by the National Council on 10 August 2012   | 1 of Annex                         |
| MTO                         | Ensure an adequate structural adjustment effort to make sufficient progress towards the MTO, including meeting the expenditure benchmark.  | 1c  | Plan  | 2013                  |          |               | x       |                       |              |  | 24 of NRP                          |
| <b>Labour market policy</b> |  |     |   |                       |          |               |         |                       |              |  |                                    |
| employability old           | Ensure labour market reintegration of adults through activation measures and targeted employment services, second-chance education and short-cycle vocational training.  | 6b  | Law   | 2012                  |          |               |         | x                     |              | An amendment to the Act on Lifelong Learning, approved by the Slovak parliament in September 2012, should facilitate access of adult individuals to new qualifications based on their previous practice or participation in further learning programmes.   | 16 of NRP                          |
| public employment service   | Enhance the administrative capacity of public employment services with a view to improving the targeting, design and evaluation of active labour market policies to ensure more individualised employment services for the young, the long-term unemployed, older workers and women. | 4a  | amendment to Act on Assistance in Material Need         | 2013                  |          |               |         | x                     |              | The reform in the active labour market policies, introduced under an amendment to the Act on Employment Services, has cancelled programmes with a marginal or negative contribution to public finances. Eleven of the existing programmes will be cancelled  | 13 of NRP                          |
|                             | Ensure the provision of childcare facilities   | 4b  | Amendment to Decree No. 306/2008                        | 2013                  |          |               |         | x                     |              | Kindergarten capacities have continuously been enhanced, depending on financial possibilities of their founders  | 5 of Annex                         |
|                             | Reduce the tax wedge for low-paid workers  | 4c  | new Act   | 2013                  |          |               |         |                       | x            | Adjustments in the benefit system II   | 12 of Annex                        |
|                             | Adapt the benefit system   | 4d  | amendment to Act  | 2012                  |          |               |         |                       | x            | amendment to the Act on Assistance in Material Need  | 9 of Annex                         |
| discrimination              | Take active measures to improve access to and quality of schooling and pre-school education of vulnerable groups, including Roma.  | 6a  | Programme   | 2012                  |          |               |         | x                     |              | As part of an integration of marginalised communities programme, the Social Development Fund implements a national project focused on social field work in municipalities, the aim of which is to promote social inclusion by improving access to and quality  | 16 of NRP                          |
| <b>Social policy</b>        |  |     |   |                       |          |               |         |                       |              |  |                                    |
| secondary education         | Adopt and implement the youth action plan, in particular as regards the quality and labour market relevance of education and vocational training, including through the introduction of an apprenticeship scheme.  | 5a  | Plan  | 2012                  |          |               |         | x                     |              | A Youth Action Plan (YAP) has been adopted. The action plan contains seven measures primarily focused on the quality and relevance of education. The National Council of the Slovak Republic approved an amendment to the Act on Vocational Schools in September 2012 which aims at reinforcing the instruments to coordinate vocational education and training activities | 15 of NRP                          |
|                             | Take active measures to improve access to and quality of schooling and pre-school education of vulnerable groups, including Roma.  | 6a  | Programme   | 2012                  |          |               |         | x                     |              | Through progressive steps, a full day's schooling is established which should teach children how to spend their free time. The full day's schooling is being tested at 200 primary schools participating in the project, starting from the 2012/2013 school year.  | 16, 17 of NRP                      |
| tertiary education          | Improve the quality of higher education by strengthening quality assurance and result orientation.   | 5b  | Law   | 2013                  |          |               | x       |                       |              | The amended Act on Tertiary Schools has been in force since 1 January 2013. The amendment is primarily aimed at creating legislative conditions to facilitate solutions to urgent problems with the quality of tertiary schools in Slovakia.   | 15 of NRP                          |
| <b>Market policy</b>        |  |     |   |                       |          |               |         |                       |              |  |                                    |
| administrative capacity     | Strengthen the quality of the public service, including by improving management of human resources and strengthening analytical capacities   | 7a  | Draft, programme  | 2012                  |          |               |         | x                     |              | With the aim of reinforcing analytical capacities, the key ministries have set up their own analytical units. Once its personnel capacities are reinforced, the department may perform more complex analytical tasks as well. Further, the ESO programme [from   | 17 of NRP                          |
|                             | Shorten the length of judicial proceedings and strengthen the role of the Public Procurement office as an independent body.  | 7b  | Draft   | 2013-2014             |          |               | x       |                       |              | The legislative intention concerning the recast of civil procedural law was submitted for inter-ministerial review procedure which was completed on 13 March 2013  | 19 of Annex                        |

| FINLAND                       |   |     |  |           |                       |                  |         |                              |      |   | page<br>reference in<br>NRPs |
|-------------------------------|---|-----|--|-----------|-----------------------|------------------|---------|------------------------------|------|---|------------------------------|
| Domain                        | Detailed recommendation   | CSR | measure  |           | implementation status |                  |         |                              |      | observations  |                              |
|                               |   |     | law, motion,<br>commission,<br>draft, plan, ...      | year      | not<br>done           | not<br>specified | promise | partially<br>implement<br>ed | done |   |                              |
| <b>Fiscal policy</b>          |   |     |  |           |                       |                  |         |                              |      |   |                              |
| spending                      | and adjust public revenue and expenditure in accordance with the long-term objectives and needs.  | 1c  | Programe   | 2013      |                       |                  |         | x                            |      | The most significant of the measures are included in the Government Programe and in the spending limits decision of March 2013. The measures will be implemented gradually by 2015.   | 18-19                        |
| MTO                           | Preserve a sound fiscal position in 2012 and beyond by correcting any departure from the MTO that ensures the long-term sustainability of public finances. To this end, reinforce and rigorously implement the budgetary strategy, supported by sufficiently specified measures, for the year 2013 and beyond including meeting the expenditure benchmark | 1a  | Law  | 2013      |                       |                  |         |                              | x    | The Fiscal Compact law, the FIPO Act in Finland came into force at the beginning of 2013  | 17                           |
| pension                       | Continue to carry out annual assessments of the size of the ageing-related sustainability gap   | 1b  | Assesment  | 2013      |                       |                  |         |                              | x    | The size of the sustainability gap is assessed annually   | 18                           |
| region                        | Integrate the local government sector better in the system of multi-annual fiscal framework including through measures to control expenditure.  | 1d  | Laws   | 2013      |                       |                  |         | x                            |      | Several programmes for an extensive reform of the municipapl sector. Some plans will be implemented in 2014-2017  | 19-20                        |
| <b>Labour market policy</b>   |   |     |  |           |                       |                  |         |                              |      |   |                              |
| unit labour cost              | while continuing to align wage and productivity developments fully respecting the role of social partners and in line with national practices.  | 5c  | Agreements   | 2011-2014 |                       |                  |         |                              | x    | The government supported the creation of the agreement with tax solutions. The government will not interfere with wage negotiations.  | 38                           |
| labour productivity           | In order to strengthen productivity growth and external competitiveness, continue efforts to diversify the business structure,  | 5a  | Tax reform and Programmes                            | 2013-2015 |                       |                  |         | x                            |      | Tax incentives already taken but take longer periods. Several programmes to create new strenghts  | 34-36                        |
| employability old             | Take further steps to improve the employment rate of older workers, including by reducing early exit pathways.  | 3b  | Acts   | 2013      |                       |                  |         |                              | x    | Acts pertaining to the earnings-related pension provision entered into force in 2013.   | 29-31                        |
|                               | Take measures to increase the effective retirement age taking into account the improved life expectancy.  | 3c  | Agreement  | 2012      |                       |                  | x       |                              |      | In 2012 a work career agreement was approved, and there will be negotiations.   | 30                           |
| youth unemployment            | Implement the ongoing measures to improve the labour market position of young people and the long-term unemployed, with a particular focus on skills development.   | 3a  | New operating model, Social guarantee and Programmes | 2013      |                       |                  |         |                              | x    | Training plans of companies which imply tax deductions on vocational training provided to the staff. Social guarantee for young people searching for job. Local government trial to reduce long-term unemployment. It is mentioned that the Young Guarantee will last, at least, until 2017 | 26-29                        |
| public employment service     | Take further measures to achieve productivity gains and cost savings in public service provision,   | 2a  | Programmes   | 2011-2017 |                       |                  |         | x                            |      | The whole programes imply longer periods such as 2011-2015, 2014-2017, among others.  | 22-24                        |
| <b>Market policy</b>          |   |     |  |           |                       |                  |         |                              |      |   |                              |
| internal market (competition) | Continue enhancing competition in product and service markets, especially in the retail sector, by ensuring the effective implementation of the new Competition Act and the new programe on promoting healthy competition.  | 4a  | Healthy competition programe. Legislative amendments | 2012-2013 |                       |                  |         |                              | x    |   | 33                           |
| internal market (services)    | Continue to take measures to increase the efficiency of municipal service provision, including increasing, where appropriate, the share of services subject to competitive bidding, and to ensure competition neutrality between private and public undertakings;   | 4b  | Healthy competition programe.                        | 2013      |                       |                  |         | x                            |      | To remove competition neutrality problems a bill was presented to Parliament in April 2013 but is supposed to enter into force in September   | 33                           |
|                               | take further steps to ensure that competition law fines have a sufficiently deterrent effect  | 4c  | Survey   | 2013      |                       |                  | x       |                              |      | The aim is to conduct a survey towards the end of 2013  | 33                           |
| administrative capacity       | including structural changes and efficiency-enhancing territorial administrative reforms, also in order to respond to the challenges arising from an ageing population.   | 2b  | Law  | 2009      |                       |                  |         |                              | x    | An extensive reform of the central government's regional administration   | 22                           |
| innovation                    | in particular by hastening the introduction of planned measures to broaden the innovation base  | 5b  | Strategy   | 2013      |                       |                  |         | x                            |      | Road map for long-term efforts to make Finland a leader in information technology applications over the next years  | 37                           |

| SWEDEN                      |   |     |  |             |                       |                          |                |                                       |             |              | page<br>reference<br>in NRPs   |   |       |
|-----------------------------|---|-----|--|-------------|-----------------------|--------------------------|----------------|---------------------------------------|-------------|--------------|--|---|-------|
| Domain                      | Detailed recommendation   | CSR | measure  |             | implementation status |                          |                |                                       |             | observations |  |   |       |
|                             |   |     | <i>law, motion,<br/>commission,<br/>draft, plan, ...</i> | <i>year</i> | <i>not<br/>done</i>   | <i>not<br/>specified</i> | <i>promise</i> | <i>partially<br/>implement<br/>ed</i> | <i>done</i> |              |  |   |       |
| <b>Fiscal policy</b>        |   |     |  |             |                       |                          |                |                                       |             |              |  |   |       |
| consolidation               | Preserve a sound fiscal position in 2012 and beyond by implementing the budgetary strategy as envisaged and ensuring continued achievement of the MTO.  | 1   |  |             |                       |                          |                | x                                     |             |              | Only statistics and forecasts are given in the NRP document. The public finances are addressed in greater detail in Sweden's Convergence Programme 2013, in section 3.   | 12  |       |
| <b>Labour market policy</b> |   |     |  |             |                       |                          |                |                                       |             |              |  |   |       |
| unemployment                | Review the effectiveness of the current reduced VAT rate for restaurants and catering services in support of job creation.  | 3b  | Assessment report  | 2013        |                       |                          |                |                                       |             | x            | Three agencies have been tasked for this. An initial assessment of the effects of this measure will be reported in January 2014. A final assessment will be presented in early 2016.   | 21-22   |       |
| active labour market        | Take further measures to improve the labour market participation of youth and vulnerable groups, e.g. by improving the effectiveness of active labour market measures, facilitating the transition from school to work, promoting policies to increase demand for vulnerable groups and improving the functioning of the labour market. | 3a  | Agreements, programmes and budget bills                  | 2013-2014   |                       |                          |                |                                       |             | x            | Work introduction agreements aim at offering coaching and training during part of their working time to young people lacking professional experience. A new transition agreement intended to generate improved opportunities for realignment in the labour market. The Job and development Guarantee targets people in long-term unemployment and are some examples of the programmes taken. | 15-21   |       |
| <b>Market policy</b>        |   |     |  |             |                       |                          |                |                                       |             |              |  |   |       |
| innovation                  | Focus the upcoming research and innovation bill on measures to improve the commercialisation of innovative products and the development of new technologies to support high-growth innovative firms   | 4a  | Budget bills and initiatives                             | 2012        |                       |                          |                |                                       |             |              | x  |   | 22-24 |
| <b>Financial market</b>     |   |     |  |             |                       |                          |                |                                       |             |              |  |   |       |
| house prices                | Take further preventive measures to strengthen the stability of the housing and mortgage market in the medium term, including by fostering prudent lending, reducing the debt bias in the financing of housing investments,   | 2a  | Budget bill measures and recommendation                  | 2010-2014   |                       |                          |                |                                       |             |              | x  | In its Budget Bill 2013 the Government proposed measures aimed at increased transparency in the mortgage market. The government has taken initiatives to strengthen consumers' interests, to strengthen financial stability, and others.        | 12-15 |
| housing market              | and tackling constraints in housing supply and rent regulations   | 2b  | Laws   | 2013        |                       |                          |                |                                       |             |              | x  | Measures taken for lowering of municipal property fee for blocks of rental flats and facilitating the leasing of private homes. These measures came into effect on 1 January 2013. Other envisaged measures need to be approved and/or applied. | 15    |

| UNITED KINGDOM                 |   |     |   |               |                       |               |         |                       |      |   |                        |
|--------------------------------|---|-----|---|---------------|-----------------------|---------------|---------|-----------------------|------|---|------------------------|
| Domain                         | Detailed recommendation   | CSR | measure                                   |               | implementation status |               |         |                       |      | observations  | page reference in NRPs |
|                                |   |     | law, motion, commission, draft, plan, ... | year          | not done              | not specified | promise | partially implemented | done |   |                        |
| <b>Fiscal policy</b>           |   |     |   |               |                       |               |         |                       |      |   |                        |
| (primary) deficit              | Fully implement the budgetary strategy for the financial year 2012-13 and beyond, supported by sufficiently specified measures, to ensure a timely correction of the excessive deficit in a sustainable manner and the achievement of the structural adjustment effort                                      | 1a  | Plans, Actions                            | not specified |                       |               |         | x                     |      | specific medium-term fiscal consolidation plans. (3.11-3.17)  | 15-16                  |
| debt                           | set the high public debt ratio on a sustained downward path.  | 1b  | Action                                    | not specified |                       | x             |         |                       |      | The OBR has forecast that public sector net debt as a percentage of GDP will be falling in 2017-18, two years later than set out in the supplementary debt target. (3.9) // cumulative debt interest payments from 2010-11 to 2015-16 are forecast to be £31 billion lower than expected at the June Budget 2010 (3.14)   | 15;16                  |
| spending                       | Subject to reinforcing the budgetary strategy for the financial year 2013-14 and beyond, prioritise growth-enhancing expenditure to avoid the risk that a further weakening of the medium-term outlook for growth will negatively impact on the long-term sustainability                                    | 1c  | Policy                                    | not specified |                       |               |         | x                     |      | a reduction in Resource Departmental Expenditure Limits (RDEL) of £1.1 billion in 2013-14 and £1.2 billion in 2014-15 (3.11) // The Government has reprioritised spending to support growth, within its overall fiscal plans. Autumn Statement 2011 and Autumn Statement 2012 each announced £5 billion of additional capital spending in the current Parliament. Those increases were made permanent in Budget 2013, | 15                     |
| <b>Labour market policy</b>    |   |     |   |               |                       |               |         |                       |      |   |                        |
| labour market structure        | Step up measures to facilitate the labour market integration of people from jobless households.   | 4a  | Policy/programme                          | not specified |                       | x             |         |                       |      | It is committed to tackling poverty and welfare dependency; helping people without jobs to find work and support themselves and their families; and ensuring that the most vulnerable in society are protected (3.78). No specific measures.  | 28                     |
| active labour market           | Ensure that apprenticeship schemes are taken up by more young people, have a sufficient focus on advanced and higher-level skills, and involve more small and medium-sized businesses.  | 3b  | Plan                                      | 2012          |                       |               |         | x                     |      | In response to the challenge of youth employment the Youth Contract will provide extra help to young unemployed people to get a job (4.23)  | 52                     |
| youth unemployment             | Continue to improve the employability of young people, in particular those not in education, employment or training, including by using the Youth Contract.   | 3a  | Programme                                 | 2012          |                       |               |         | x                     |      | the quality of the Apprenticeships programme is being expanded and improved. (4.41)   | 57-58                  |
| <b>Social policy</b>           |   |     |   |               |                       |               |         |                       |      |   |                        |
| health                         | Fully implement measures aiming to facilitate access to childcare services  | 4c  | Action                                    | 2013          |                       |               |         | x                     |      | A new scheme to offer tax free childcare to working families was announced at Budget 2013 (3.100)   | 32                     |
| poverty                        | Ensure that planned welfare reforms do not translate into increased child poverty.  | 4b  | Act                                       | not specified |                       |               |         | x                     |      | The Government remains committed to tackling child poverty and to the Child Poverty Act (3.96)  | 31                     |
| secondary education            | Take measures to reduce the high proportion of young people aged 18-24 with very poor basic skills.   | 3c  | Programme                                 | not specified |                       |               |         | x                     |      | The Government has adopted a package of new measures to raise standards in education, to improve the readiness of pupils for final qualifications and to help to close current gaps in the attainment of more disadvantaged pupils when compared to their peers (4.38)  | 57                     |
| <b>Market policy</b>           |   |     |   |               |                       |               |         |                       |      |   |                        |
| energy                         | energy network  | 6a  | Project                                   | 2012          |                       |               |         | x                     |      | The Government has also launched the world's first Green Investment Bank (GIB). It will invest in building green infrastructure (3.147)   | 42                     |
| internal market (services) TTE | Pursue a long-term strategy for improving the capacity and quality of the UK's network infrastructure, including measures to address pressures in transport by promoting more efficient and robust planning and decision-making processes, harnessing appropriate public or private financing arrangements. | 6b  | Plan/Programmes                           | 2010          |                       |               |         | x                     |      | the Government established Infrastructure UK in 2010 (3.137). The Government's comprehensive infrastructure strategy is detailed in the National Infrastructure Plan (3.138)  | 40                     |
| housing market                 | Address the destabilising impact of high and volatile house prices and high household debt by implementing a comprehensive housing reform programme to increase housing supply and alleviate problems of affordability and the need for state subsidisation of housing                                      | 2a  | Programme/Measures                        | 2012          |                       |               |         | x                     |      | The Government has announced a major new package of measures to support home ownership (3.22-3.34)  | 17-19                  |
|                                | Pursue further reforms to the housing market, including the mortgage and rental markets, financial regulation and property taxation to prevent excessive volatility and distortions in the housing market.  | 2b  | Rules                                     | 2014          |                       |               | x       |                       |      | The FSA published its final rules in October 2012 and these will come into force 18 months later in April 2014. Mortgage Market Review (3.35-3.37)  | 19                     |
| <b>Financial market</b>        |   |     |   |               |                       |               |         |                       |      |   |                        |
| banking system                 | Support competition within the banking sector, in particular through measures to reduce barriers to entry, increase transparency and facilitate switching between banks as recommended by the Independent Commission on Banking   | 5b  | Act/Measures                              | 2013          |                       |               | x       |                       |      | Government is putting its recommendations into action. A new, industry-led, free seven day switching service (3.127) which will go live in September// securing pro-competitive financial through the Financial Services Act 2012 regulation (3.127)// review of prudential and conduct requirements (3.128)  | 37                     |
| private sector credit flow     | Further improve the availability of bank and non-bank financing to the private sector, in particular to SMEs.   | 5a  | Programme                                 | 2012          |                       |               |         | x                     |      | Businesses, particularly SMEs, are heavily reliant on bank finance. In order to support access to finance in the short-term, the Bank of England launched incentives for banks to lend more and the Government is supporting the diversification of lenders in the long term. (3.116)// Funding for Lending Scheme (3.117)// Business Finance Partnership (3.118)... and some others.                                 | 35-37                  |