

(English version)

**Question for written answer E-002415/24
to the Commission
Maciej Wąsik (ECR)
(5 November 2024)**

Subject: Excessive deficit procedure for Poland

On 26 July 2024, Poland was placed under the excessive deficit procedure. At the same time, Poland's defence expenditure will increase to 4.7% of GDP in 2025, up from 4.1% in 2024. This represents a great burden on the budget, but at the same time stimulates the economy and builds the security of the entire EU in the face of threats coming from the Community's eastern neighbourhood.

1. Using the legal possibilities ⁽¹⁾ provided by the Excessive Deficit Procedure rules, does the Commission intend to waive the counting of public defence expenditure as part of the national budget deficit in whole or in a specific part?
2. A Member State subject to an excessive deficit procedure is required to submit a medium-term reform programme to the Commission. Could the Commission provide information on the main ways of reducing the excessive deficit indicated for implementation by the Polish Government — and the areas in which they will be applied — which the Commission will take into account for ending the excessive deficit procedure against Poland?

Submitted: 5.11.2024

**Answer given by Mr Dombrovskis on behalf of the European Commission
(20 January 2025)**

The new EU fiscal framework considers increasing defence capabilities an EU priority ⁽¹⁾. Defence spending can be part of a set of reforms and investments that underpin a more gradual fiscal adjustment path to up to seven rather than four years. However, Poland has opted for a four-year fiscal adjustment in its plan.

The framework does not provide for the exclusion of specific types of expenditure, such as on defence, from the deficit. However, government investment in defence was taken into account as a relevant factor in the report under Article 126(3) of the Treaty on the Functioning of the European Union assessing a breach of the deficit or debt criteria and in the subsequent steps of an excessive deficit procedure ⁽²⁾.

Moreover, in its recommendation to the Council endorsing the medium-term fiscal structural plan of Poland, the Commission assessed that the increase in defence investment justified a lower fiscal effort in 2025 and a modulation of the time profile of the fiscal adjustment path ⁽³⁾.

The Commission recommendation for a Council recommendation to bring an end to the excessive deficit in Poland is consistent with the fiscal path in the plan ⁽⁴⁾.

In the plan, Poland presents an indicative fiscal strategy based on limiting net expenditure growth via both expenditure restraint and discretionary revenue increases.

For 2025, the measures are specified in the 2025 draft budget. For 2026-2028, Poland refers to several other measures to be specified in the future budgets.

¹ Council Regulation (EC) No 1467/97 of 7 July 1997 on speeding up and clarifying the implementation of the excessive deficit procedure.

⁽¹⁾ Regulation (EU) 2024/1263 of the European Parliament and of the Council.

⁽²⁾ COM(2024) 598 final.

⁽³⁾ COM(2024) 723 final.

⁽⁴⁾ COM(2024) 956 final.