EN
E-002958/2025
Answer given by Mr Dombrovskis
on behalf of the European Commission
(2.9.2025)

Regulation (EU) 2024/1263[1] requires Member States to submit a medium-term structural-fiscal plan containing fiscal, reform and investment commitments. The fiscal adjustment covers a four-year period, which can be extended to up to seven years if the adjustment is underpinned by a relevant set of reforms and investment. The Commission assesses whether the adjustment ensures that the government deficit and debt meet certain requirements over the medium term, as described in Articles 6 and 16. For the first plans, this assessment is based on the methodology described in the Debt Sustainability Monitor 2023[2], which considers 'medium term' as the period covering the adjustment period plus an additional 10-year period with unchanged fiscal policy.

The same definition is used in the context of the activation of the national escape clause. The Commission services' Institutional Paper "Assessment of the Fiscal Sustainability Condition for Member States Requesting the Activation of the National Escape Clause"[3] presents the approach followed by the Commission to assess whether Member States' requests to activate the national escape clause to step up defence expenditure fulfilled the sustainability condition.

Article 26 of Regulation (EU) 2024/1263 does not specify the duration of an exceptional circumstance but requires the Council to set a time limit for the deviation, so that the duration can be tailored to different exceptional circumstances. In line with the Commission's Communication on Accommodating increased defence expenditure within the Stability and Growth Pact[4], when activating the national escape clause for the Member States that requested it, the Council specified that the deviation was allowed during the period 2025-2028.

[1] https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L_202401263
[2] European Commission, Directorate-General for Economic and Financial Affairs, Debt Sustainability Monitor 2023, Institutional Paper 271, March 2025, https://economy-finance.ec.europa.eu/publications/debt-sustainability-monitor-2023_en, see Chapter II.1 "The DSA methodology in the new economic governance framework"
[3] European Commission, Directorate-General for Economic and Financial Affairs, Assessment of the Fiscal Sustainability Condition for Member States Requesting the Activation of the National Escape Clause, June 2025, Institutional Paper 321, https://economy-finance.ec.europa.eu/publications/assessment-fiscal-sustainability-condition-member-states-requesting-activation-national-escape_en.
[4] Commission Communication (C (2025) 2000 final) of 19 March 2025.