



# USC Global Leadership Summit 2016

## Government Financial Accountability & the European Economic Crisis: Paths to Prosperity

Daniel Gros

Los Angeles, April 29, 2016



# CEPS Task Force on Transparency and Fiscal Performance

## Purpose:

- Only few EU Member States prepare balance sheets of their governments.
- EU has strong interest in transparency and better measures of fiscal performance.
- => Opportunity to get EU on board to push Member States to become more transparent and prepare balance sheets.

# Background to CEPS Task Force

- National policy makers often resist transparency (especially concerning management of public assets).
- They are often not familiar with balance sheet concepts.
- Finance Ministries fear the additional work load.
- => Great resistance to produce meaningful balance sheets although utility of concept is often recognized.

# Background to CEPS Task Force

EU institutions have different incentives:

- They need transparency (of national fiscal situations).
- Balance sheets can provide an alternative to the flow based indicators of the SGP (in particular the debt level, which is measured gross).
- The additional work load is for others.
- => Easier to advance the idea at EU than at national level.

# How does CEPS Task Force work?

- Get three constituencies together which influence EU decision making.
- The EU institutions and national policy makers.
- Independent, often academic, experts.
- Industry representatives.
- => Recommendations supported from such a diversified group can influence EU decisions.

# How does CEPS Task Force work?

- Practical issues:
- 3-4 meetings to discuss substance in detail, hearing different point of views (economists, accountants, lawyers, etc.).
- Substantive contributions by all members.
- Members participate in personal capacity, not as representatives of national or other points of views.
- => Key output is final Report and its recommendations.

# How does CEPS Task Force work?

## Practical issues:

- Chair Prof. Enrico Giovannini (former Minister and head of Istat).
- Rapporteur(s): CEPS experts ([Jorge.nunez@ceps.eu](mailto:Jorge.nunez@ceps.eu)).
- Timing: this year, first meeting before summer.