

VALDIS DOMBROVSKIS

*Vice-President of the European Commission*

Brussels, 19 SEP. 2016

*Ares (2016) 544 1106*

Dear Ms O'Reilly,

Thank you for your letter of 19 May 2016 regarding the independent advisory European Fiscal Board, in which you request the Commission to answer two questions regarding transparency and the so-called "comply or explain" principle.

The Commission decision establishing an independent advisory European Fiscal Board sets the legal framework, within which the Board members will operate<sup>1</sup>. This means that the Board's mandate and independence are grounded in law, with safeguards to protect it against any form of pressure or interference. While practical administrative reasons made it necessary to attach the Secretariat of the Board to the Commission, members of the Secretariat shall take instructions only from the Board.

With regard to your first question, I can confirm that the Board will indeed be subject to Regulation 1049/2001 on public access to documents. It will be up to the Board to decide how to organize and manage its activities.

With regard to your second question, a strict parallel between the independent advisory European Fiscal Board and the national Independent Fiscal Councils cannot be drawn. In particular, not only the underlying legal bases are different but most importantly their institutional set-up, roles, functioning and powers are different. The former is an independent advisory body of the Commission. The Commission's responsibilities with respect to the surveillance of fiscal policies of the Member States are enshrined in the Treaty. At national level, according to the Treaty on Stability, Coordination and Governance, signatory Member States have put in place independent institutions to monitor whether national policies ensure rapid convergence towards the country-specific medium-term objective. This is why this "comply or explain" principle applies in this context for the contracting parties.

Yours sincerely,

Valdis Dombrovskis

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<sup>1</sup> Commission Decision (EU) 2015/1937.