

Progress on the economic situation

TOWARDS A MORE UNITED, STRONGER AND MORE DEMOCRATIC UNION

The EU's ambitious agenda for jobs, growth and investment and its work on the single market have contributed to a robust economic recovery. Europe's economy has grown for six consecutive years. Some 12.6 million jobs have been created since the start of the Juncker Commission and unemployment is at a record low in this century. At the same time, the state of public finances has improved across the board and disparities in wealth distribution between Member States are also shrinking again.

ROBUST GROWTH AND INCREASED INVESTMENT

In recent years, Europe has moved from economic recovery to expansion.

Growth has been around

2%

in the EU and the euro area in recent years

All Member States recorded growth in 2018



ECONOMIC GROWTH

in the EU and euro area



The EU and euro area have now grown for

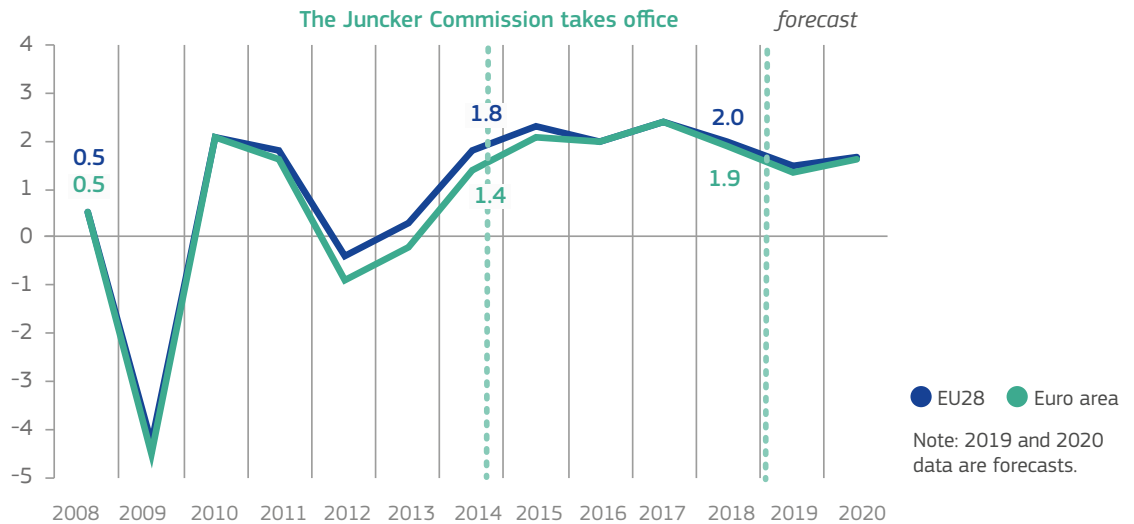
24

consecutive quarters

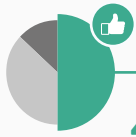
In spite of global challenges, the EU is expected to **continue growing in 2019 and 2020**

Gross domestic product (GDP) is expanding steadily

% change in real GDP



Source: European Commission (Eurostat except forecasts).

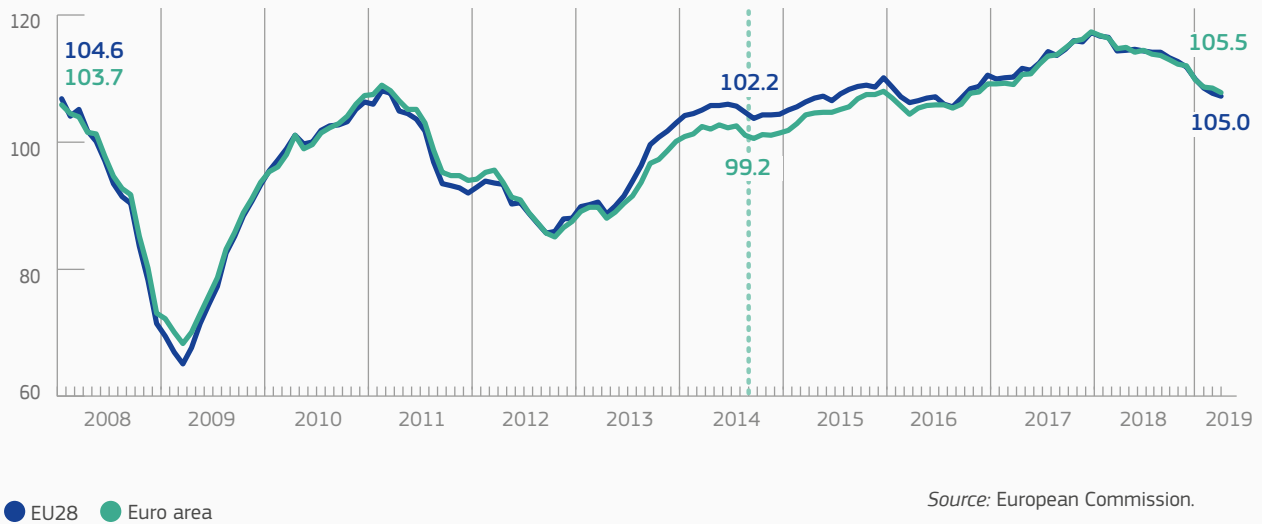


Europeans have a **positive opinion** of the current situation of the European economy.

Source: Eurobarometer, Autumn 2018.

Economic sentiment indicator at high levels

The Juncker Commission takes office



By 2020, the European Fund for Strategic Investments is set to generate:



Investment has returned to pre-crisis levels and is steadily increasing

€500

billion in additional investment across Europe



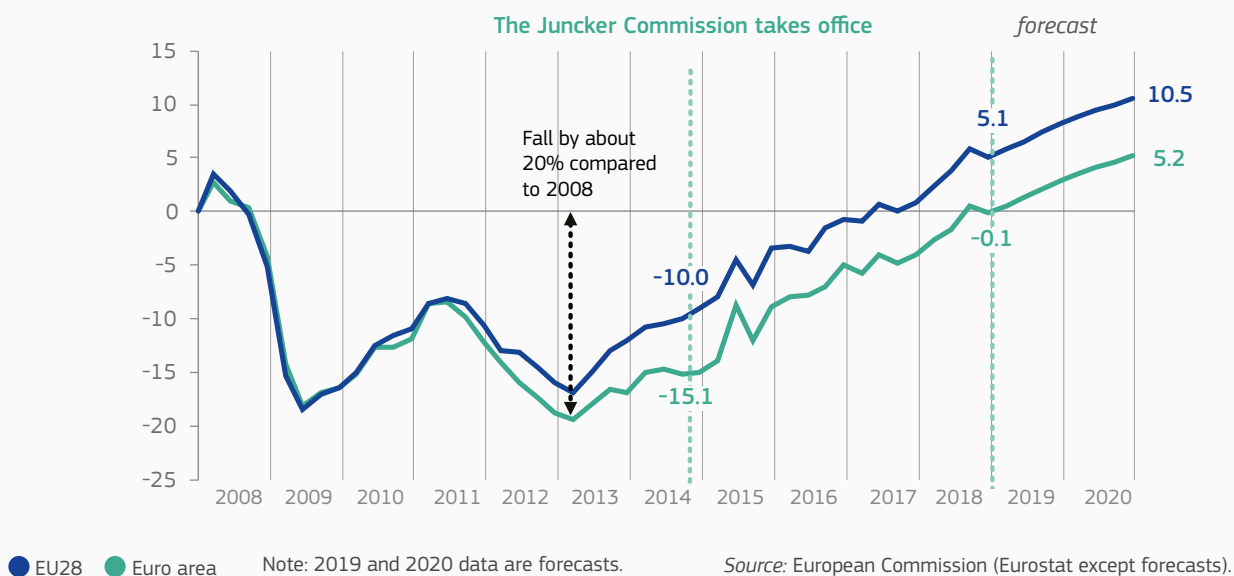
1.3%

increase in the EU's GDP

1.4 million jobs

Investment picking up

% change in the level of investment compared to 2008



MORE AND BETTER JOBS

Economic growth is a means to an end. Growth has helped to deliver a more social Europe.

A job-rich recovery is taking hold

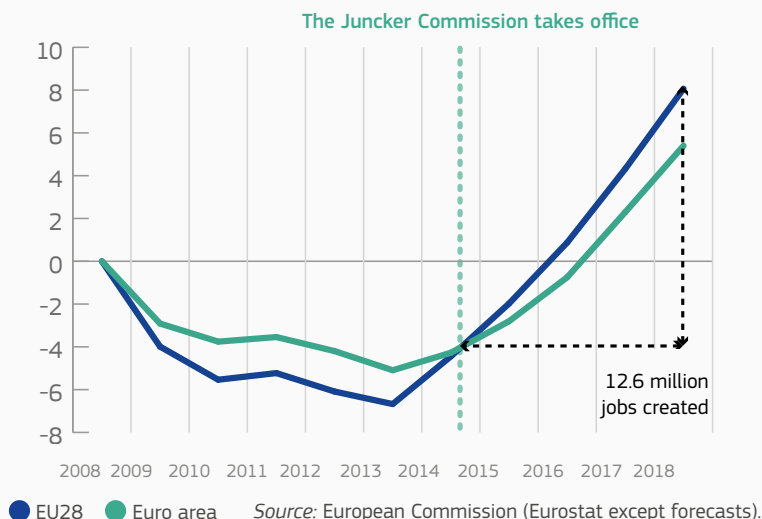
Jobs created since 2008, in millions of people



12.6

million jobs

have been created in the EU since the start of the Juncker Commission



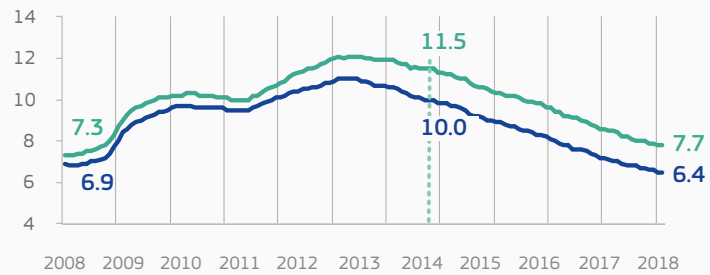
Unemployment is declining

% of active population

The Juncker Commission takes office



While still too high in certain Member States, **unemployment is at its lowest level EU-wide since the start of the century.**

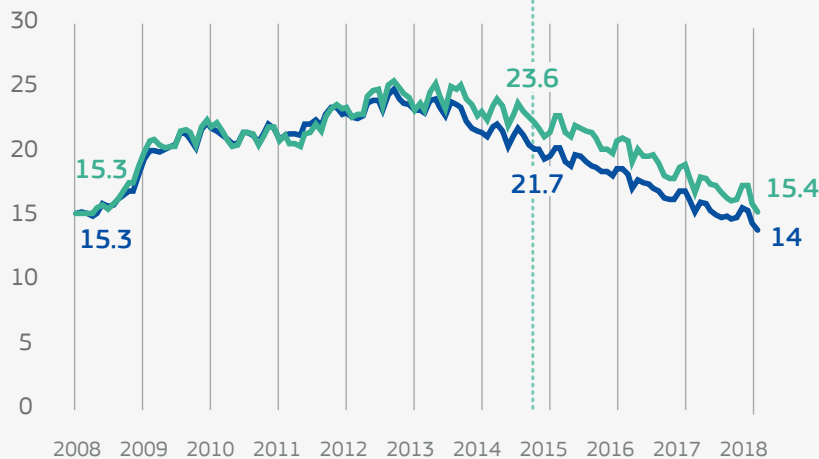


● EU28 ● Euro area Source: European Commission (Eurostat).

Youth unemployment is declining

% of active population

The Juncker Commission takes office



● EU28 ● Euro area

Source: European Commission.

Employment in Europe is at a record high



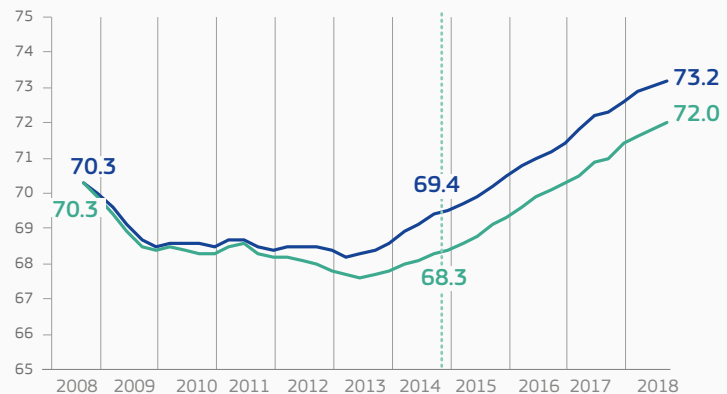
240

million people are working across our Union

Employment rate is increasing

% of working age population

The Juncker Commission takes office



● EU28 ● Euro area Source: European Commission (Eurostat).

SOUND PUBLIC FINANCES

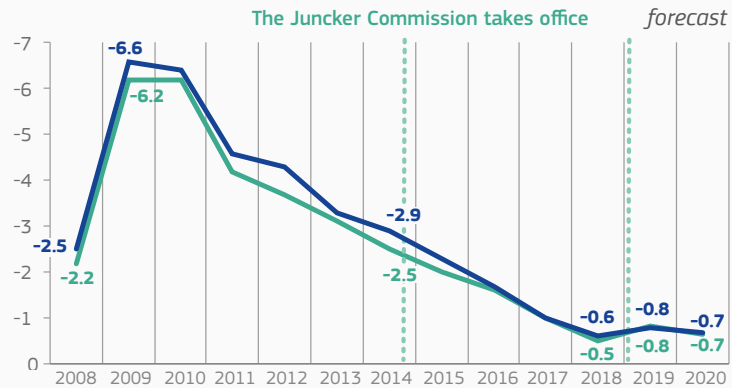
Significant progress has been made to ensure that Europe's public finances are sound, sustainable and capable of absorbing future shocks.

Public deficit is decreasing in EU countries

% of GDP

Government deficit in the EU decreased from

6.6% → 0.6%
2009 2018



● EU28 ● Euro area

Note: 2019 and 2020 data are forecasts.
Source: European Commission (Eurostat except forecasts).

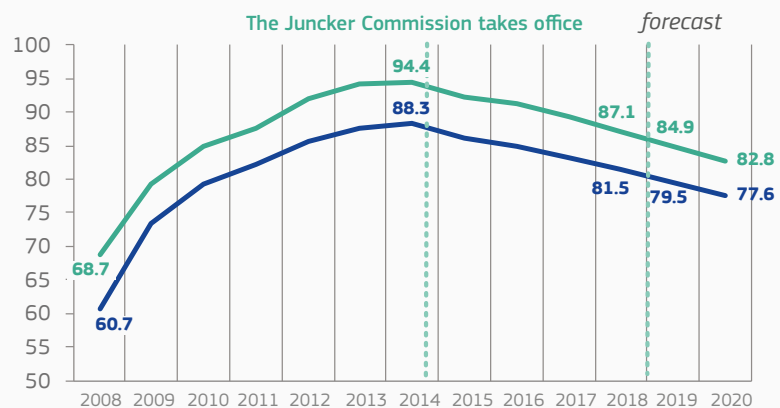


The ratio of government debt to GDP is falling from

88.3%
2014
to
81.5%
2018

Government debt is on a downward path

% of GDP

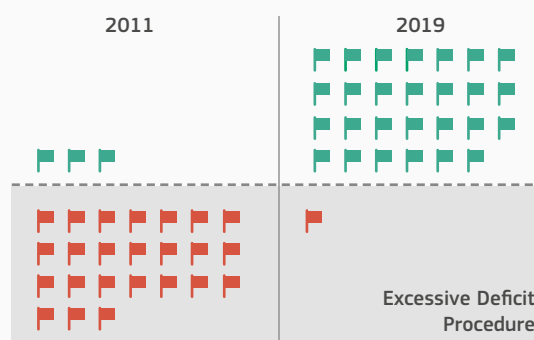


● EU28 ● Euro area

Note: 2019 and 2020 data are forecasts.
Source: European Commission (Eurostat except forecasts).

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Member State is currently in the Excessive Deficit Procedure under the Stability and Growth Pact, down from 24 in 2011



The use of flexibility within the rules of the Stability and Growth Pact made it possible to strike the appropriate balance between pursuing sound fiscal policies and supporting growth, notably through reforms and investment.

Estimates suggest that the use of flexibility has boosted EU GDP by 0.8% over the last four years and resulted in around 1.5 million jobs.

Source: European Commission.

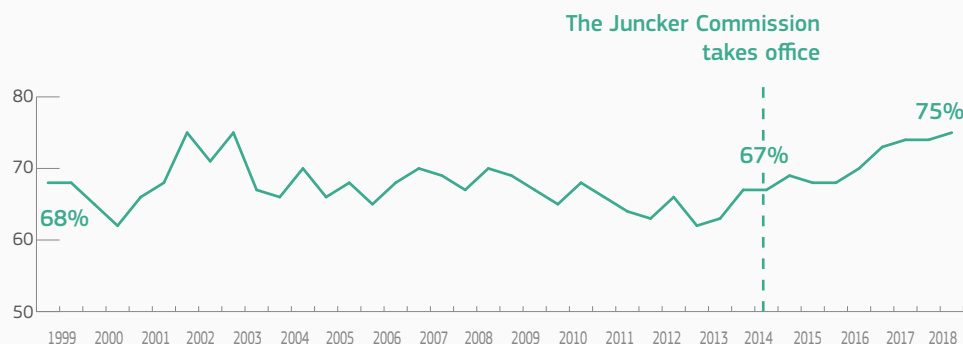
THE ROLE OF THE EURO

The euro brings stability and tangible benefits. Its global role is on the rise.

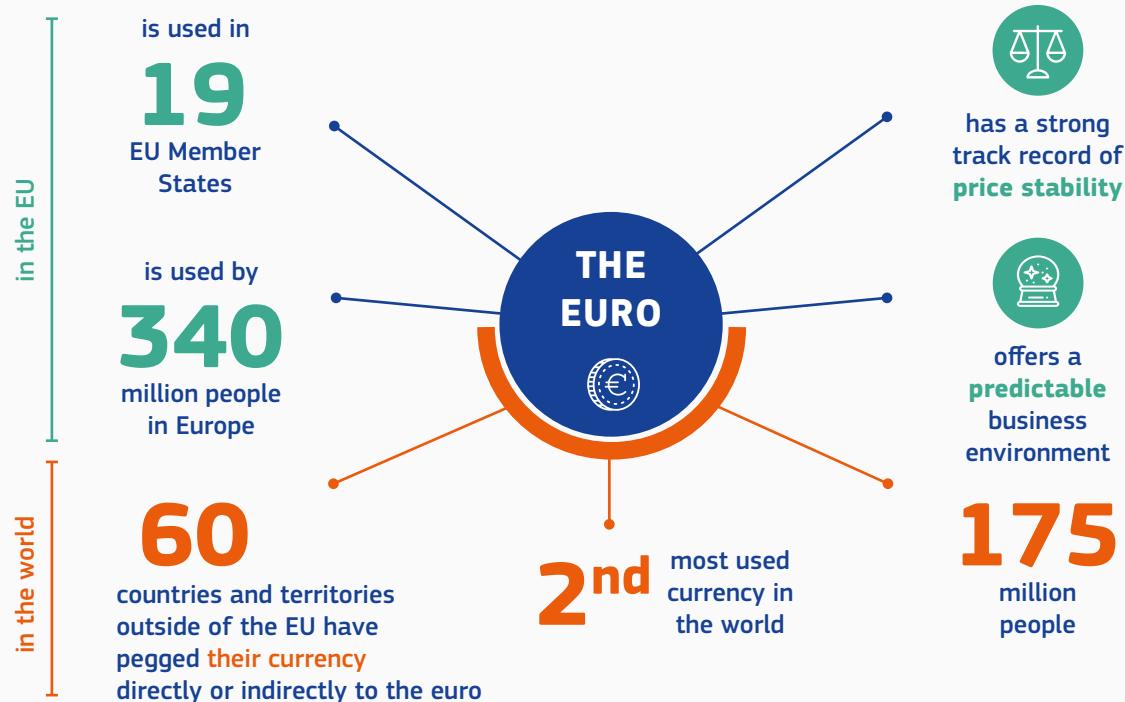


Support for the euro among citizens of the euro area, in %

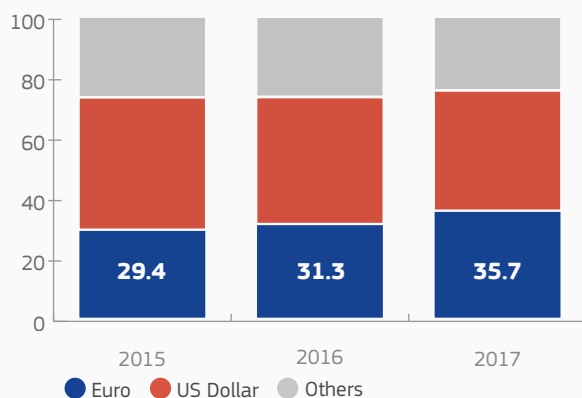
Three in four euro area citizens support the single currency. This is the highest share ever.



Source: Eurobarometer, Autumn 2018.



The share of the euro in global payments in %



The euro has made life and business much easier for Europeans:



price stability: inflation on average under 2%



more transparent and competitive markets: prices easily comparable



lower travel costs: cost of exchanging money has disappeared



more cross-border trade: no more exchange rate costs



interest savings for Member States resulting from the euro's introduction: up to €70 billion per year

Source: European Commission.