



Bundesministerium  
der Finanzen



Bundesministerium  
für Wirtschaft  
und Energie

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## PRESS RELEASE

### 50th Franco-German Economic and Financial Council

While growth remains positive, it has been slowing down in the last year. Important risks, such as trade tensions, Brexit, oil and geopolitical uncertainties remain, and are weighing on our economies. In parallel, the digital revolution and climate change are creating new challenges for Europe and its sovereignty. To promote sustainable growth in Europe, we need to act forcefully and in a coordinated manner.

In this context, we have agreed on the following:

1/ Acknowledging that fiscal policy should support monetary policy at any time, we are committed to deliver a strategy for growth following three pillars: (i) continuing with the implementation of structural reforms, (ii) pursuing the debt reduction efforts in countries with high debt levels and (iii) pursuing strong public investment and increasing it where possible. We are ready to counteract a potential further deterioration by activating the appropriate fiscal responses if needed.

2/ We will pursue our common work on the strengthening of the euro area, with the common objective to implement a budgetary instrument for convergence and competitiveness with an adequate size including resources to be provided by an intergovernmental agreement. We will continue to examine the issue of a European Unemployment Stabilisation Fund for the case of severe economic crises, without transfer.

3/ To allow appropriate financing both for European large companies and SMEs, we will come up with joint proposals to set up a genuine union for sustainable savings and investment. We support a fully integrated banking market, including by taking into account the specificities of the European banking sector for the transposition of Basel III.

4/ We will continue working together on common industrial projects:

- Bruno Le Maire and Peter Altmaier will cut the first spade of a pilot factory for electric batteries for cars before the end of this year, subject to approval by the European Commission. The first factory will then open in France in 2022 and a second one in Germany in 2024.
- We agreed to define a joint approach on artificial intelligence by developing a safe and sovereign European data infrastructure, data warehouses and pooling data in various sectors.

5/ Based on the joint declaration of July 4th 2019 with Poland, we will propose to the new Commission timely adaptations to competition rules and invite further Member States to join.

6/ With regards to trade tensions, we remain committed to supporting a proportionate and clear EU response, preventing escalation through fair and balanced negotiated solutions and asserting European rights under WTO rules in case of trade sanctions. It is essential to protect the EU's trade policy sovereignty.

7/ The fight against climate change is a priority. We are determined to moving forward on sustainable finance, especially regarding extra-financial reporting, and to transform the European Investment Bank into a European Climate Bank. We fully support the work on the strategy planned by President-elect von der Leyen, to examine possible measures to prevent carbon leakage, inter alia a carbon border tax.

8/ Finally, following up on the Aachen Treaty, the Ministers launched the Franco-German Council for Economic Experts, with the following members: Agnès Benassy-Quéré, Christian Gollier, Philippe Martin, Xavier Ragot, Katheline Schubert, Marcel Fratzscher, Clemens Fuest, Nicola Fuchs-Schündeln, Christoph M. Schmidt, Isabel Schnabel

[Link for the Franco-German priorities for the next European institutional cycle on economic, financial and trade matters](#)

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