



*Al Ministro
dell'Economia e delle Finanze
P. 2851/Ris*

Rome, 17th May 2016

Dear Valdis, Dear Pierre,

I received your letter of 16 May where you acknowledge Italy's commitment to achieve a headline deficit of 1.8 of GDP in 2017 and assess positively the structural reforms and investment plans underpinning the request of the Government for the flexibility clauses, provided the prerequisites are met. You also underline that migrant-related and security related costs justify an additional fiscal space of 0.1 of GDP.

I acknowledge the analysis of the Commission of the Italian macroeconomic and fiscal situation. Both the Commission and the Italian Government forecast a recovery which is strengthening in Italy as well in the Eurozone albeit not at a fully satisfactory pace. This highlights the need to make all possible efforts – in domestic policies and in the Eurozone policy mix – to relaunch growth and jobs creation. In this complex scenario, let me reiterate the commitment, including the planned fiscal effort, taken by the Italian Government in the recent Stability Programme – which will be reflected in the forthcoming DBP – to broadly comply with EU fiscal rules in 2017. I am confident that a significant deviation would thus be avoided.

Yours sincerely

Pier Carlo Padoan

Mr Valdis DOMBROVSKIS
Vice-President
European Commission
Brussels

Mr Pierre MOSCOVICI
Commissioner
European Commission
Brussels