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ASSESSMENT OF INDIVIDUAL COUNTRY RECOMMENDATIONS BY EACH MEMBER FEDERATION

Q1: For each country specific recommendation Member Federations were asked to answer whether it is 1: extremely important; 2: Important; 3: Helpful (but not a priority); 4: Irrelevant; 5: Contrary to federation's advice;

Q2: For each recommendation, Member Federations were asked to answer whether government's efforts to implement it were: 1: Excellent, 2: Satisfactory; 3: Mixed; 4: Unsatisfactory; 5: no progress observed.

N.B.: Federations in countries under financial assistance commented on recommendations made by the Troika in Economic Adjustment Programmes; Non EU countries commented on recommendations made by the OECD

SPRING 2015 REFORM BAROMETER – BELGIUM

European Semester - Overall assessment of 2015 cycle

	To what extent do you agree with these statements:		Detailed comments
1.	The National Reform Programme submitted by your Government (April 2015) is appropriate	To a large extent	
2.	The Commission's country specific recommendations for your country are appropriate.	Yes, absolutely	
3.	The Commission assessment of reform implementation the year before is appropriate.	To a large extent	
4.	The Commission assessment of excessive imbalances (in-depth review) is appropriate.	Yes absolutely	

Assessment of Country Specific recommendations 2015 in detail

		Q1 : The recommendation is	Q2 : implementation on effort is :	Detailed comments
CSR **1**	Achieve a fiscal adjustment of at least 0.6 % of GDP towards the medium-term objective in 2015 and in 2016. Use windfall gains to put the general government debt ratio on an appropriate downward path. Complement the pension reform by linking the statutory retirement age to life expectancy. Agree on an enforceable distribution of fiscal targets among all government levels.	Important	Mixed	The government has taken action to reduce the budget deficit but has only realized an adjustment of 0.2% of GDP. The government undertook comprehensive pension reform, increasing the legal pension age from 65 to 67 and reducing early retirement options. Retirement age is not automatically linked to life expectancy. An agreement on an enforceable distribution of fiscal targets has not been reached.
CSR **2**	Adopt and implement a comprehensive tax reform broadening the tax base, shifting the tax burden away from labour and removing inefficient tax expenditures.	Extremely important	Excellent/no further progress needed	A substantial tax shift (of about 2% of GDP) has been realised. Taxes have been shifted away from labour, increasing disposable income of employees and lower the labour cost for employers. However, the tax base has not been broadened substantially
CSR **3**	Improve the functioning of the labour market by reducing financial disincentives to work, increasing labour market access for specific target groups and addressing skills shortages and mismatches.	Important	Mixed	Tax shift decreased disincentives to work. The government also took complementary adjustment measures of active and passive labour market policies.
CSR **4**	Restore competitiveness by ensuring, in consultation with the social partners and in accordance with national practices, that wages evolve in line with productivity.	Extremely important	Satisfactory	Labour cost has been reduced by the tax shift and a temporary blocking of the automatic wage indexation system.

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FEB Federation of Enterprises in Belgium

Reform Progress in your Member State in 2015

How would you assess reform progress in 2015, for the following broad areas:

Taxation and Public Finances	Satisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Mixed
Access to finance and Financial stability	No reform necessary

Reform priorities for 2016

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Wage bargaining and wage-setting policies	Make the wage bargaining law more stringent to ensure continued moderate wage growth.	yes
Priority 2	Public sector efficiency	Consolidating public finances by increasing the government efficiency	no
Priority 3	Tax reforms	Reform the corporate income tax system to make it more attractive to foreign investors and SME's.	yes
Priority 4	Public investment	Government investment in public infrastructure has to be increased. It has been limited to approximately 2.5% of GDP for more than a decade.	no
Priority 5	Business Environment - Regulatory barriers to entrepreneurship	The overall administrative burden is too high and limits entrepreneurship, there is a need for a comprehensive action plan to bring down regulatory and administrative burdens.	yes