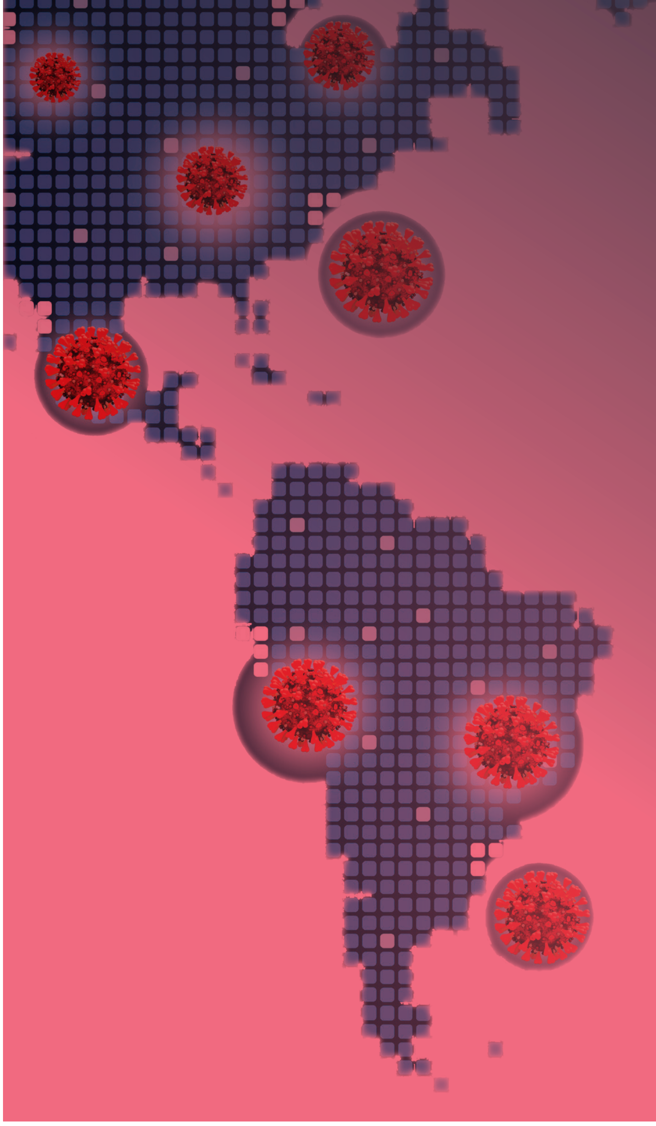
European Liberal Forum
PUBLICATIONS



Policy Brief
November 2021

Tax and fiscal policy measures in digital transformation era of COVID-19 pandemic

A call for an adequate policy response

Abstract

The outbreak of COVID-19 started in China at the end of 2019 has created an unprecedented challenge with drastic socio-economic consequences and policy measures. This calls for the appropriate (digitalized) fiscal policy measures adopted by countries to mitigate the shock from the COVID-19 pandemic and pave the way for a sustainable future. The policy brief summarizes the key findings and policy recommendations for the selected EU member states and candidates as regards fiscal policy measures (and digital solutions) to support the implementation of COVID-19 emergency fiscal policy responses which were highlighted in the ELF publication and workshop titled "Tax and fiscal policy measures in digital transformation era during COVID-19 pandemic: International experiences".

Aleksander Aristovnik

Dejan Ravšelj

Nina Tomaževič

ZAVOD 14
zavod za sožitje in napredek

Chapter 1

COVID-19 fiscal support and its effectiveness in Austria

Rok Spruk
University of Ljubljana, Slovenia

Aleksandar Keševljević
University of Ljubljana, Slovenia

The oubreak of COVID-19 pandemic has led to unprecedented growth losses, supply chain disruptions and macroeconomic instability not seen since the days of Great Depression. The pandemic in Austria began in March 2020 with the first identified cases of COVID-19. The Austrian government counteracted the macroeconomic losses triggered by the pandemic through a rigorous and expansive fiscal stimulus. The stimulus prioritized non-health components targeting large-scale shortfalls in private consumption, investment and revenue in hardest-hit sectors. Despite the sheer size of the stimulus, Austria's economic recovery is bleaker compared to other countries. Chief obstacles include low vaccination rate and slow growth of demand for services in sectors hardest hit by the pandemic such as winter tourism.

Key Findings

- During the first and second lockdown, Austria underwent large-scale economic losses further amplified by one of the largest drops in disposable household income in OECD.
- Austria spent about 15% of the GDP on additional spending to counteract the losses triggered by the pandemic.
- Compared to other Western European countries, Austrian government spent considerably less on health-related spending to combat the losses. Hence, the pressure on hospitalization capacity has been much stronger than elsewhere and possibly contributed to three lockdowns imposed by the government to reverse the curves of infections and mortality.
- Post-pandemic macroeconomic outlook in Austria is considerably less favorable compared to other OECD countries.
- In response to the COVID-19 pandemic, Austria has a more favorable evolution of debt/GDP ratio but lower rate of GDP growth coupled with higher unemployment and more persistent structural budget imbalance than the rest of the OECD.

Policy Recommendations

Austrian government should rebalance the composition of additional spending to counteract pandemic losses, particularly by expanding the investment in health sectors to ensure that pressure on hospitalization is more manageable and sustainable in subsequent public health crises.

Austrian government should introduce mandatory COVID-19 vaccination for adults and children alike.

Without mandatory vaccination and consistent enforcement of COVID mobility passes, the recovery in hardest-hit sectors such as winter tourism cannot be envisaged.

Austrian government should adhere not to introduce another lockdown which only amplifies large growth losses and already uncertain macroeconomic outlook.

Austrian government should release the restrictions for the fully vaccinated citizens and nationals of other EU member states whilst not introduce additional restrictions in the sectors such as winter tourism and hospitality industry that have been hit hardest by the pandemic.

Chapter 2

Tax and fiscal policy responses to the COVID-19 pandemic: the experience of Germany

Dejan Ravšelj
University of Ljubljana, Slovenia

The COVID-19 pandemic is one of the most serious challenges in Germany's history. It has caused a significant deterioration of public finances, adding to pre-existing strains arising from long-term structural challenges. Consequently, the federal government in Germany responded in such a way that put the focus primarily on mitigating the health, social and economic impacts of the pandemic in a quick, resolute and targeted way by providing considerable support through its fiscal policy. Accordingly, the main aim of this chapter is to present the tax and fiscal policy responses to the COVID-19 pandemic in Germany.

Key Findings

- The COVID-19 pandemic has revealed several challenges in Germany, which can primarily be addressed by accelerating the vaccination rollout to protect against the virus, which would allow a return to normality.
- The mass-vaccination efforts were not successful enough, as only 60% of the population were fully vaccinated in Germany by the end of August 2021.
- The pandemic is expected to have long-lasting effects on the German economy as confirmed by recurring waves and outbreaks of COVID-19.
- Germany's fiscal response during COVID-19 has been timely and large, but not huge.
- Bankruptcies and financial losses in Germany have been limited thus far, and bank capital has risen since the pandemic began, yet, when the support measures provided by the government expire, bankruptcies might increase.
- In Germany, there is still room for improvement in digitalization and cost-effectiveness of its climate mitigation efforts.

Policy Recommendations

Strong cooperation between the federal and state authorities is required to ensure that vaccinations are delivered efficiently as the supply grows.

When the appropriate vaccination rate is reached, the government should proceed with the re-opening plans, which will then lead to a brighter outlook for the German economy, especially the service sector.

Maintain an accommodating fiscal policy until there is clear evidence of a sustainable recovery.

More stimulus in forthcoming years may be beneficial, as is envisioned in the overall stimulus programme.

Maintain financial stability during the early stages of the economic recovery with continuous targeted liquidity and solvency support for viable enterprises.

Deploying resources to build back a greener and smarter digitalized economy.

Chapter 3

Understanding and effectivness of the key fiscal measures in Netherlands in the time of COVID-19

Aleksandar Keševljević
University of Ljubljana, Slovenia

Rok Spruk
University of Ljubljana, Slovenia

The COVID-19 pandemic is a global crisis and the greatest challenge we are facing since WWII. Dutch government has put a broad series of fiscal measures since the start of the pandemic to help affected businesses and individuals by taking measures to combat the spread of the disease, while ameliorating its pernicious effect on the economy and society. Abundant policy fiscal space enabled Dutch government to take a comprehensive policy package by stimulating the economy and protecting jobs. The aim of this chapter is to comprehend key fiscal measures, their size and efficiency of selected tax and fiscal policy measures in Netherland in the time of COVID-19 crisis.

Key Findings

- Dutch government has taken a focused response of the health sector and programs to help affected businesses and individuals.
- Netherlands toughened the restrictions in the second wave, and has maintained moderate restrictions that seem to be somewhat lesser compared to the OECD average.
- Dutch government spent on different measures much above EU average and below what USA, Japan and UK spent.
- The recovery of economic activity to the pre-pandemic level has lagged behind fast-growing OECD economies.
- In the country the unemployment rate increased less, working hours tended to recover faster to the initial level and there was below-average rate of under-utilization than in selected countries or group of countries (EU, OECD).
- Dutch government has more resilience in the future for shocks comparing to other OECD countries due to higher vaccination rate, higher trust in the government, lower level of public debt and more fiscal space.
- Dutch government is, by emerging from the COVID-19 pandemic and in comparison to OECD average, building stronger, more inclusive and more resilient society.

Policy Recommendations

Dutch government has to identify critical uncertainties, megatrends and disrupters for testing resilience of their own sectoral and national strategies.

It should be determined which scenarios are the most relevant and challenging for the Netherland in the future.

The strategy developers have to develop more agile, inclusive and resilient strategies in order to adequately respond not only to pressing megatrends (etc. global warning, technology) but also to potentially new disrupters (etc. new pandemic, EU disintegration).

Policy makers should continuously build stronger, more inclusive, greener and more resilient society.

The government will have to balance the need for the public programs with long-term fiscal sustainability goals.

Fiscal measures are of key importance to curb economic losses, thus it's of key importance to maintain fiscal space and well-coordinated fiscal policy actions at EU level and globally.

Chapter 4

Tax and fiscal policy response after the COVID-19 pandemic: Reshaping the face of our societies for the epidemic wave of digitalisation

Isabella Cugusi
Fondazione Luigi Einaudi, Italy

In the first half of 2020, the world economy faced the deepest setback since World War II, due to the outbreak of COVID-19 pandemic. After the spread of infection in China, Italy was the first European country hit by the pandemic wave. In the first phase, the Italian Government has finalized some important Law Decrees containing a wide range of measures designed to support business, workers and industries most affected by shutdowns. However, the path towards the recovery is in progress and the Italian Government intends to seize every opportunity to relaunch the country's growth in terms of environmental and social sustainability. Accordingly, reforms will play a central role in the NRRP. The aim of this paper is to present the tax and fiscal policy response to the COVID-19 in Italy.

Key Findings

- The health and economic situation in Italy has significantly improved in recent months thanks to well-calibrated preventive measures and a strong vaccination campaign against COVID-19. The Italian Government was able, according to the expectations, to administer the vaccines to more than 80% of the Italian population (over 12 years of age) by the end of September 2021.
- The COVID-19 has strongly impacted on long- standing structural problems and the unprecedented response by the Italian Government to the COVID-19 crisis has resulted in expansive fiscal policy.
- The COVID-19 crisis has posed significant challenges for Italy and caused an increase of its public debt.
- The digitalisation of the economy is being accelerated by the COVID-19 and poses challenges for Italy that, in years preceding the pandemic, was not faring well in terms of digitalization (it ranks 25th out of 28 EU Member States in the 2020 edition of the DESI).

Policy Recommendations

Following this trend, it appears as necessary to boost the drive to emerge from the crisis through all available instruments, from the vaccination campaign to the promotion of medical research and the strengthening of the National Healthcare Service, in terms of both personnel and financial resources.

Remain expansionary by means of a strong impulse to public investments and incentives for private investments in the next two years in order to continue to support economic recovery through policies of stimulus, before embarking on a gradual path of fiscal consolidation.

Higher economic growth would lower the debt-to-GDP ratio on its own. Towards this end, the ambitious plan of structural reforms under the NRRP (and the fully exploitation of related resources) will be particularly important to bring Italian economy on a sustained and balanced growth path.

Improving broadband connectivity, helping firms to develop online business models, enhancing acquisition of digital skills and ensure online payments are all areas of reform that would help to foster the digital transformation.

Chapter 5

Tax and fiscal policy measures in the digital transformation era of the COVID-19 pandemic: a polish perspective

Konrad Sobański
Poznan University of Economics and Business, Poland

The ongoing COVID-19 crisis has created an unprecedented and challenging environment for both public and private sectors. In response to the pandemic, governments across the globe, including Poland, have developed large fiscal support programmes for businesses and individuals. Policymakers are navigating largely 'unchartered waters' and there are many risk factors in the sustainability of these. The main aim of this paper is to examine and evaluate the tax and fiscal policy measures implemented in Poland during the COVID-19 pandemic.

Key Findings

- Poland, like other EU countries, has been severely affected by the coronavirus pandemic. In terms of mortality rate, Poland is in the top quartile of the world, probably due to the relatively low vaccination coverage (around 60%).
- In response to the COVID-19 pandemic, the Polish government has designed a fiscal support package for businesses and individuals amounting to 11.3% of GDP, which is moderate in size by EU standards.
- On one hand, from the macroeconomic point of view, the fiscal stimulus seems to have had its intended effects, measured by economic growth and employment. On the other hand, the significant acceleration of inflation to levels not seen in Poland in the last two decades has recently been observed.
- The stimulus has led to an unprecedented deterioration of the fiscal stance. The public debt of Poland is not far from the 60% safety threshold prescribed by the Polish Constitution.
- In this new fiscal environment, the Polish government has decided to overhaul Poland's taxation system. The Polish Deal reform is intended to make the tax system more progressive.

Policy Recommendations

A single set of transparent national rules for presenting public debt in line with the EU methodology and fixed safety thresholds for the long term are advised. A fiscal transparency portal as an e-government initiative could support fiscal transparency through open government budget data.

The government is recommended to undertake new promotional activities to raise awareness of the population concerning the benefits of the national vaccination programme, especially among the younger generation. In this regard, digital tools like social media could be more efficient than traditional channels. The COVID-19 testing policy should be extended.

Employers should be given access to information about whether their employees are vaccinated to allow for the better organization of their operations.

The government should aim to lower the uncertainty stemming from the Polish Deal tax reform since the new 'rules of the game' were implemented without a sufficient vacatio legis and proper consultations. For this, tax transparency portals for entrepreneurs would be supportive.

Chapter 6

Tax and fiscal policy measures during COVID-19 pandemic: evidence from Croatia

Sabina Hodžić
University of Rijeka, Croatia

Although the Croatian economy has not yet recovered from the great crisis of 2008, the situation has become worse with COVID-19 pandemic. Due to the lockdown in March 2020, there was a decrease in industrial production in almost all sectors. This places the Republic of Croatia among the most affected countries within European Union. The Government of the Republic of Croatia has taken several measures to recover the economy. The aim of this chapter is to describe and present fiscal and financial policy measures and to present the current situation of the Croatian economy during the pandemic.

Key Findings

- The Government of the Republic of Croatia responded to the sudden halt in economic activity by increasing spending on health care, transferring funds to maintain liquidity and save public and private sector jobs, and deferring tax and credit obligations.
- In the second quarter of 2020, all expenditure categories except government experienced a decrease. The categories with the highest decrease were export of services (66.9) and import of services (42.2).
- The highest level of supported jobs (in the public and private sectors) was recorded in April 2020 (38.19%), while the lowest level was recorded in August 2021 (1.13%).
- The highest percentage of local units using the measures of COVID-19 was recorded in April 2020 (31.65%), only one month after the introduction of the measures, and the lowest in August 2021 (1.36%).
- The COVID-19 pandemic is the shift of physical activities to the online system.

Policy Recommendations

The public financial system needs a new instrument, in addition to the traditional, to fight both existing and possible future crises.

The design and reform of the fiscal system after the COVID-19 crisis must be coherent in order to address the structural challenges.

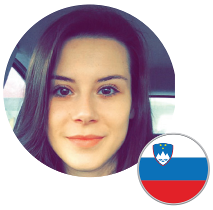
To create growth-friendly tax policies and for sustainable environment.

To implement Recovery and Resilience plan by 2026.

To establish efficient and effective online government services through e-government platform.

Chapter 7

Tax and fiscal policy measures in Slovenia in response to the COVID-19 pandemic



Eva Murko
University of Ljubljana, Slovenia

The COVID-19 pandemic is responsible for unprecedented changes and challenges and has considerably affected the quality of life and strongly impacted the Slovenian economy. Consequently, Slovenia has responded with extensive fiscal packages aimed at assisting the economy on one hand and giving direct assistance to the citizens to ease its impact on the other. Accordingly, the main aim of this chapter is to present the tax and fiscal policy measures in Slovenia in response to the COVID-19 pandemic.

Key Findings

- The COVID-19 outbreak caused a significant drop in economic activity in 2020, following 6 years of steady expansion in the period after the global financial crisis (2014–2019).
- The pandemic and associated limitations saw all components of GDP drop in 2020, except government consumption.
- Slovenian economy had comparatively solid financial status prior to the crisis, and it has introduced significant stimulus measures. Fiscal aid packages targeted at stabilizing the labour market and assisting firms with liquidity issues helped to avert drops in both economic activity and employment.
- According to the IMAD's estimates, fiscal measures amounted to around 5.4% of GDP in 2020 and were mainly aimed at preserving jobs and the economic potential.
- However, the situation has led to certain opportunities, like the introduction of remote work and shortening of global value chains, highlighting the chances for future improvement.

Policy Recommendations

The recovery measures should be linked with structural changes to increase resilience to shocks and ensure long-term growth.

Measures for economic reform and modernization should be planned and implemented with emphasis on maximizing new possibilities and hastening the transition to a highly productive, low carbon, and circular economy.

To accelerate productivity growth, disruptive innovations should be emphasized, R&D activity strengthened, and the digital transformation accelerated.

The role of the government and its institutions should be reinforced, and governance mechanisms should be improved to be able to identify, coordinate and effectively deal with all of the developmental challenges.

Social development must become inclusive, and we need to reconsider the culture of dialogue.

A comprehensive strategy combining recovery measures and structural changes would boost the economy and promote long-term development sustainability.

Chapter 8

Fiscal Policy Responses To The COVID-19 Pandemic In Southern European Countries: A (Lost) Opportunity For Sustainability Transition

Stella Tsani
University of Ioannina, Greece

COVID-19 pandemic has hit hard the fragile public financing systems and fiscal recovery of the Southern European countries, i.e., Cyprus, Greece, Italy, Spain, and Portugal. While COVID-19 constitutes an unprecedented shock, the mobilization of significant public capital and the coordination of fiscal policies render this shock a prime chance for sustainable change and transformation, including the fiscal and public financing, spending and taxing schemes. Yet, the analysis of fiscal responses to the COVID-19 pandemic in the Southern Mediterranean countries indicates that this opportunity is not fully materialized.

Key Findings

- Countries have channeled in 2020 and 2021 public funds towards the support of the healthcare system.
- Beyond the healthcare sector, countries chose to support employment and business operations through unemployment benefits, incentives to retain workers, provision of low-cost inputs and reduced work time schemes.
- Countries chose to support sectors most in stress or sectors that are traditionally essential to the economic activity like tourism, agriculture or exporting sectors.
- Spain is the only country in the Southern Europe that makes explicit provisioning for vehicle renewal under the MOVE II program and investment in digitization and innovation in the tourism sector.
- Limited provisions for capital mobilization and direction towards socio-economic and healthcare system innovation, digitalization, and innovation of the fiscal, tax and public management systems, infrastructure and green investment support for different socio-economic groups and regions.

Policy Recommendations

Careful look on the structural shifts in the existing production and consumption patterns as a response to the COVID-19 pandemic that can have far-reaching implications for the sustainability transition.

Consider the importance of digitalization, IT, and green infrastructure to speed up the digitalization and innovation of the fiscal and tax systems, the greening of the economies and of the production and employment generation in the emerging sectors.

Infrastructure investments may pay off in terms of employment, and long-term productivity of the inputs to production.

Fiscal measures should look beyond the direct financial support to the most vulnerable and should actively seek for a combination of financial, training and education support package that can ensure resilience of the most vulnerable under the current conditions and readiness for future uncertainties and skills requirements.

Chapter 9

Tax and Fiscal Policy Measures in the Digital Transformation Era during the COVID-19 Pandemic: Experiences from Ethiopia and Croatia

Adem Feto
Arsi University,
Ethiopia

A COVID-19 outbreak has been spreading in Ethiopia and Croatia since February 2020. The governments of Ethiopia and Croatia have taken steps to combat and mitigate the spread of the COVID-19 pandemic. Since the pandemic's impact is substantial, strong and broad measures are required to benefit citizens and economies of these countries and it is necessary to assess it in detail as well. The purpose of this chapter is to evaluate the trends of COVID-19 and fiscal policy measures in Ethiopia and Croatia. The challenges and opportunities of tax and fiscal policy measures were also examined. The data set used ranges from February 2020 to October 2021 and obtained from the databases of 'Our World in Data' and 'IMF'. For analysis, a comparative-descriptive method and SWOT analysis were used.

Key Findings

- COVID-19 fiscal measures taken in Ethiopia gave relief for HHs and impacted-businesses.
- Challenges of the tax and fiscal policy measures in Ethiopia includes: growing deficit due lack of digital economy and how to adopt to the post COVID-19 crisis situation.
- In Croatia, adjustment to the post COVID-19 situation, the widening fiscal deficit (has a huge impact on the service provision capacity of governments) and rising spending after the COVID-19 pandemic are identified as the major challenges.
- Daily cases of COVID-19 hit 4,547 on 30/10/2021 in Croatia, but only 384 cases in Ethiopia. The stringent measures in Croatia need to be revisited again.
- Although the Ethiopian and Croatian governments have issued a variety of unbalanced health and non-health measures, involvement in the social and economic policy direction is not where it should be.
- The limited fiscal space means, the COVID-19 pandemic has hit Ethiopia harder than Croatia and, specific measures are required to be implemented in Ethiopia.

Policy Recommendations

To benefit citizens and economies, broad-based and planned measures are required.

Multilateral coordination is very important to cope with the COVID-19 crisis. The 'Joint European Roadmap towards lifting COVID-19 containment measures' need to be strengthened and crucially required in SSA to recover from the recent crises and to increase resilience to possible future crises and shocks.

Vaccination plan exceeding Ethiopia's-20% and Croatia's-65% are required to ease stringency.

The governments of Ethiopia and Croatia should consider policy measures that address the series of budget deficits experienced in the last years of COVID-19 pandemic.

Measures in Ethiopia include income and liquidity support and designing a tax and fiscal policy that benefits everyone.

Reforming the tax and fiscal policy sector, fiscal consolidation, digitalization of the economy, and launching a stimulus package can help to narrow the existing deficit.

The coordination of tax policy with monetary policy are essential and particularly decisive in the post COVID-19 response.

Chapter 10

Tax and fiscal policy responses to the COVID-19 pandemic: The experience in North Macedonia

Kristina Misheva
University "GoceDelchev", Shtip, North Macedonia

The uncertainty brought by the pandemic and its continuation has severely affected small economies. North Macedonia has been challenged by the need to address the health issues caused by COVID-19, as well as many economic, financial, political, and social issues. All these issues have become focal points with the highest priority in a short period of time. Therefore, a huge legal reconstruction was undertaken just to reflect the unexpected contemporary situation facing society, the business sector and citizens on one hand and the NATO and EU accession requirements on the other. The cornerstone of all these changes is the fiscal policy, budget rebalances, digital transformation and improvement of the public procurement system, maintenance of the economic sustainability of the country and mitigation of the effects of COVID-19.

Key Findings

- Political uncertainty (governmental elections in 2020 and local elections in 2021) and appearance of COVID-19 virus. Governmental Decisions to prevent the COVID-19 coronavirus pandemic health crisis.
- Vast number of ad hoc policies, measures and government decisions have been introduced and implemented in 2020 and 2021.
- Six measure packages from 2020 until 2021 covering the business sector, householdings and individuals to ease the economic and social impact of the crisis (Financial Support to the domestic companies, financial support for employees 'salary, tax exemptions and reduced VAT taxes for domestic companies, subsidies).
- Foreign aid, grants and donations.
- Development and support of competitive, micro, small and medium companies thought special governmental programmes and funding (interest-free loan in order protect the liquidity of the companies).
- Promotion and improvement of ICT (information and communication technology) in the national healthcare system.

Policy Recommendations

The fiscal policy should follow the Fiscal strategy and national strategic priorities.

To develop national strategies and policies to counter the COVID-19 pandemic.

To use fiscal instruments to address environmental issues. To raise the budget revenue by using the environmental taxes.

Stimulation measures prior restrictions and sanctions.

To encourage private (domestic and foreign) initiatives and investments.

To improve the quality management and the financial management in the public sector.

To accelerate the collaboration and cooperation among the national bodies, relevant stakeholders, including private sector, academia and civil society.

To improve and maintain the quality of life, mental health and the overall wellbeing of the population

To strength the innovation and technology policies.

Social development must become inclusive, and we need to reconsider the culture of dialogue.

A comprehensive strategy combining recovery measures and structural changes would boost the economy and promote long-term development sustainability.

WORKSHOP OUTCOME:

Tax and fiscal policy measures in digital transformation era of the COVID-19 pandemic – A call for an adequate policy response

	National level	EU level
	CURRENT SITUATION	
Strengths	• Existing national income and liquidity support oriented towards companies and households • Quick response to the pandemic by the national governments • Well established IT infrastructure in developed EU countries	• Established experience with coordinating policies and setting priorities (European Semester) • Established recovery plan for the EU (NextGenerationEU)
Weaknesses	• Lack of coordination between fiscal and monetary authorities • Funds are spent for elections, and not for green transition • Low vaccination rate in Eastern EU countries • Low trust in government and science • Weak digital literacy of population	• Unawareness of the pandemic magnitude • Problems related to informal economy • Problems related to poverty and inequality • Increasing the EU general government debt • Low level of support to the health sector
Opportunities	• Digital transformation of tax collection • Improve quality management in the public sector • Increase trust in government • Increase investments in green transition and digitalization • Encourage private investments • Fiscal policy reform	• Digitalization enhances the collaboration between countries (partnerships) • Digitalization of education, government services, taxes and financial markets • Support green and sustainably transition • Coordination of fiscal actions (responses that mobilized significant funding)
Challenges	• New tax reforms impose uncertainty for businesses, which need to adapt to the new pandemic situation and tax regulation • Widening deficit in fiscal policy, which challenges government capacity • Risk of widening social gap and digital divide	• Recurring waves of the COVID-19 pandemic impose uncertainty for the EU economy • Increasing need for appropriate coordination of policies in the long-term
	FUTURE SITUATION	
Short-term solutions	• Maintain financial stability during the early stages of the economic recovery • Adopt fiscal policy by strong input of public investment	• Accelerate the vaccination rollout to protect against the virus to ensure healthy society • Immediate actions to support the EU economy are needed • Appropriate coordination of stringency measures
Long-term solutions	• Maintain an accommodating fiscal policy until there is clear evidence of a sustainable recovery • Adopt fiscal policies and strategies that support investment in innovation and technology • Adopt fiscal stimulus policies	• Provision of long-term budget and recovery fund • Looking for new instrument to find the budget, which will be sustainable for long-term period • Narrow the fiscal deficit • Achieve global targets and EU priorities (e.g. European Green deal)

The European Liberal Forum (ELF) is the official political foundation of the European Liberal Party, the ALDE Party. Together with 46 member organisations, we work all over Europe to bring new ideas into the political debate, to provide a platform for discussion, and to empower citizens to make their voices heard.

ELF was founded in 2007 to strengthen the liberal and democrat movement in Europe. Our work is guided by liberal ideals and a belief in the principle of freedom. We stand for a future-oriented Europe that offers opportunities for every citizen. ELF is engaged on all political levels, from the local to the European.

We bring together a diverse network of national foundations, think tanks and other experts. At the same time, we are also close to, but independent from, the ALDE Party and other Liberal actors in Europe. In this role, our forum serves as a space for an open and informed exchange of views between a wide range of different actors.

A liberal future in a united Europe

/europeanliberalforum
@eurliberalforum
#ELFevent

liberalforum.eu

"Published by the European Liberal Forum in cooperation with Zavod14. Co-funded by the European Parliament. The views expressed herein are those of the author(s) alone. These views do not necessarily reflect those of the European Parliament and/or the European Liberal Forum."