



# TOGETHER FOR A FAIR DEAL FOR WORKERS

EL/LV/LR/LD/NB  
Brussels, 10 March 2025

To: Ministers of the ECOFIN Council

[Letter sent by e-mail]

## **ETUC letter in view of the ECOFIN Council on 11 March – Call for full suspension of economic governance rules and the creation of an EU-wide Investment Facility**

Dear Ministers of the ECOFIN Council,

As you meet to discuss the activation of national escape clauses for defence spending within the EU's economic governance framework, the European Trade Union Confederation (ETUC) urges you to go further by activating the general escape clause. A fragmented, national approach will leave behind countries with limited fiscal capacity, deepening inequalities and preventing other necessary investment in Europe's collective future.

The EU must adopt a common fiscal response that enables all Member States to invest in climate transition, digitalization, social protection, and industrial resilience—regardless of their starting fiscal position. This is why we call for a general escape clause and the creation of an EU investment facility that is additional to the Multiannual Financial Framework (MFF), not financed by reallocation of existing EU resources.

Key ETUC Demands on Fiscal Rules and Investment:

### **1. Activation of the General Escape Clause**

Limiting fiscal flexibility to national escape clauses risks creating a two-speed Europe, where only wealthier countries can invest in their economies while others remain constrained by outdated fiscal rules. A general escape clause ensures that all EU Member States have the capacity to invest in their industries, and social infrastructure in a coordinated manner.

### **2. An EU Investment Facility Complementing the MFF**

A new EU investment facility must be created to finance long-term strategic investments across all Member States. This will create macroeconomic benefits for the EU as a whole. This facility should be on top of the existing MFF, rather than diverting current EU resources. It should be financed through common debt instruments (building on the success of NextGenerationEU) and new EU own resources (such as fair corporate taxation and financial transaction levies).

### **3. Fiscal Rules Must Prioritize Investment and Social Stability**

Returning to rigid deficit and debt rules without reform would stifle Europe's long-term economic stability. We need a new fiscal framework that excludes



productive public investments from deficit calculations, supports the **Clean Industrial Deal through quality jobs, industrial policy, and just transition**, recognizes the role of public services and social protection in fostering economic resilience.

#### 4. **Progressive and Fair Taxation to Support Public Finances**

Sustainable investments require fair revenue sources. The EU must act decisively against tax avoidance and corporate tax competition, ensuring that large corporations and wealthiest individuals contribute fairly. This will reduce the burden on workers and SMEs while securing stable funding for public investment.

Europe cannot afford to return to restrictive and outdated fiscal rules that limit its ability to invest in a just and sustainable future. We urge the ECOFIN Council to take a bold and forward-looking approach that empowers all Member States—not just those with greater fiscal space—to invest in economic, social, and environmental resilience.

We request a meeting at your earliest convenience to discuss these crucial issues and to provide the trade union perspective on how fiscal policies can serve Europe’s workers and communities.

Yours sincerely,

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ETUC General Secretary

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ETUC Confederal Secretary