
EU Commission: Economic Forecast. Dombrovskis, “supportive policies must continue as long as needed”

“The European economy is making a strong comeback with all the right pieces falling into place”. European Commission Executive Vice-President Valdis Dombrovskis made these remarks about the Economic Forecast published by the European Commission. “Our economies - he said - have been able to reopen faster than expected thanks to an effective containment strategy and progress with vaccinations. Trade has held up well, and households and businesses have also proven to be more adaptable to life under COVID-19 than expected”. After many months of restrictions, “consumer confidence and tourism are both on the up, though the threat of new variant will have to be carefully managed to make travel safe”. This “encouraging” forecast is also thanks to the “right policy choices having been made at the right time, and it factors in the major boost that the Recovery and Resilience Facility will deliver to our economies over the coming months”. For Dombrovskis: “We will have to keep a close eye on rising inflation, which is due not least to stronger domestic and foreign demand. And, as always, we need to be mindful of disparities: some Member States will see their economic output return to their pre-crisis levels already by the third quarter of 2021 – a real success – but others will have to wait longer. Supportive policies must continue as long as needed and countries should gradually move to more differentiated fiscal approaches. In the meantime, there must be no let-up in the race to get Europeans vaccinated so we can keep variants at bay”.

Valentina Bombelli