Euro 1999: convergence, Economic and monetary Union EMU. Commission and EMI reports

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Welcoming the fact that the criteria defined by the Maastricht Treaty had allowed a culture of stability to develop in Europe, the rapporteur considered that 11 candidate countries had qualified for entry into monetary union. He also stressed that the financial markets were counting on a stable start for the euro at the beginning of the following year and concluded by stating that the single monetary policy also required more harmonised economic and fiscal policy. Commissioner de Silguy firstly looked back at the approach which had led to the launch of EMU. He therefore recalled: - the political will expressed by the European Council since 1995 which had allowed the Member States to improve their public finances and reduce their deficits; - the convergence as a result of which the average deficit of the 11 countries recommended for entry into monetary union had reduced to 2.5%. This had been accompanied by an effective reduction in public debt and interest rates at historically low levels; - the systematic preparation for the introduction of the euro by establishing the euro's legal framework and the Stability and Growth Pact, and the preparation of the coins and notes. The Commissioner also cited the objectives for the third phase: continuation of the budgetary improvement, the challenge of employment to which the approach developed for EMU should henceforth be applied and the international dimension of the euro and the steps to ensure acceptance of the new currency by everyone. Repeating the words of one speaker, Mr de Silguy concluded that 'We have made the euro and now we have to make Europe'.