

Adoption by Greece of the single currency on 1 January 2001

2000/0134(CNS) - 30/05/2000 - Legislative proposal

PURPOSE : to present a proposal for a Council Decision amending Regulation 1103/97/EC on certain provisions relating to the introduction of the euro. **CONTENT** : on 3 May 2000, the Commission adopted a proposal for a Council Decision in accordance with Article 122 (2) of the Treaty, proposing that Greece fulfils the necessary conditions for the adoption of the single currency and that the derogation of Greece is abrogated with effect from 1 January 2001. In case of a positive decision, the Council will subsequently have to adopt the conversion rate between the euro and the drachma which will take effect from 1 January 2001 and will have to take other measures necessary for the introduction of the euro in Greece. The Regulation 1103/97/EC on certain provisions relating to the introduction of the euro and 974/98/EC on the introduction of the euro are complementary. Regulation 1103/97/EC includes those provisions where there was an urgent need for legal certainty before the date at which it was possible to take measures on the basis of Article 123(4) of the Treaty (ex 109 1 (4)). The latter article was available as a legal basis only after it was confirmed which Member States fulfilled the necessary conditions for the adoption of the single currency. Forming together the legal framework of the euro, the two regulations include a number of current definitions of notions relating to the currency. The purpose of the proposed amendment is to ensure that the definition in the two regulations remain identical in order to avoid legal uncertainty. In this article, two definitions in Article 1 of Regulation 1103/97/EC are amended: the definition of 'conversion rate' is broadened to include conversion rates which are adopted after the start of the third stage of EMU on the basis of Article 123 (5) (ex 109 1 (5)), and the definition of 'national currency units' is broadened to include units of former national currencies which are replaced by the euro after the start of the third stage. With regard to Article 2, this fixes the date of entry into force of the regulation at 1 January 2001, ensuring that new definitions are applicable as from the date at which the amended Regulation 974/98/EC, which includes the same definitions, enters into force.