Economic and monetary union EMU: Community's international representation

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OBJECTIVE: to ensure the Community's representation at international level in economic and monetary matters following the introduction of the euro. SUBSTANCE: the introduction of the euro on 1 January 1999 will imply for the Community a monetary presence which corresponds to its economic and commercial weight in the world economy. To take full advantage of this new reality, the Community will need to speak with one voice in a broad range of international institutions and fora where issues are discussed and decided that may affect EMU (IMF, G7, G10, OECD, etc.). This proposed decision seeks specifically to provide this representation by setting out the arrangements for Community participation at international level and the specific competences of each of the Community institutions involved in this participation. The proposal provides in particular that representation of the Community should be undertaken by the Council, with the Commission and the European Central Bank (ECB).This triple representation is in accordance with Article 109(4) of the TEU which sets out procedures to determine the Community's position at international level for issues of particular relevance to economic and monetary union and for deciding its representation. Basically, representation of the Community will be assumed by the Member State which is currently holding the office of President of the Council and is part of the euro-11 group. If the Member State currently holding the office of President of the Council does not have the euro as its currency the participation of the Council would be assumed by the Member State that is next to hold the office of President of the Council and has the euro as its currency. The modalities of the participation of the two other institutions of the Community (Commission and ECB) would be decided by the institution concerned in accordance with its statutes. Lastly, the proposal sets out the procedures to be implemented in order to apply the principle of sole representation of the Community in the international bodies concerned. Institutional constraints may impede the application of this principle in certain bodies (such as the IMF). For these specific cases the proposal provides that the Member States and the institutions of the Community shall rapidly adopt and implement arrangements which, as closely as possible, comply with the principle of single representation. Other arrangements should be provided to allow a balanced representation of the ECB and the Commission within these international bodies.