

EUROPEAN PARLIAMENT

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ORAL QUESTION (0-102/78)

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with debate pursuant to Rule 47 of the Rules of Procedure by Mr PISANI, on behalf of the Committee on Economic and Monetary Affairs to the Commission of the European Communities

Subject: European Monetary System

The Committee on Economic and Monetary Affairs notes the decisions of the European Summit of 4 and 5 December 1978 and the introduction of the European monetary system. The committee would like Parliament to be provided with information on the following points:

I. On the technical aspects

1. What will be the exact mix and the legal status of the reserve funds of the EMCF and subsequently of the European Monetary Fund?
2. Do the introduction and development of the system necessitate - or will they necessitate - any amendment to the Treaties?

3. Is the new European monetary system really different from the 'snake'? In what way? Will the arrangements for its management and the volume of its reserves enable it to resist the inevitable speculation against individual currencies?
4. What is the exact meaning of 'presumption of intervention' in the functioning of the objective divergence indicator? By whom and by what procedure will the pivotal rates be changed? What distinction should be made between 'intervention' and 'action'?
5. Is the ECU intended to become a European reserve currency which will replace the dollar and the SDRs?
6. On what terms will third countries be able to become associated with the European monetary system? Will they participate in its management? Will their currencies be used in defining the ECU?
7. What would be the dangers to the credibility of the European monetary system and to the Community's cohesion inherent in failure to join the system by one or more Member States? What new factors are there to indicate that obstacles existing today will be eliminated in the future?
8. On what terms will the European Parliament be institutionally associated with the creation, management and development of the European monetary system?

II. On general aspects

1. Will the European monetary system in itself help to reduce divergences in fluctuations of European currencies?
2. To what extent can the European monetary system become an instrument for economic recovery and the creation of employment? What procedures and timetable will be adopted for the necessary support measures?
3. Has sufficient allowance been made in setting up the European Monetary Fund for the special problems of countries with weak currencies in order to ensure that their national efforts produce the best possible results?
4. Will the European monetary system contribute to a new world monetary balance?
5. Is it intended to set up a European monetary authority and, if so, what form will it take? Will it detract from the powers of the Committee of Governors of the Central Banks?
6. Can the system be efficiently operated by the Community institutions as established by the Treaties and in particular in their present form? Who is responsible for its operation?