

European Community



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INFORMATION NOTE

EC PLANS 'ZONE OF MONETARY STABILITY'

President Jenkins on progress made at EC's Bremen **Summit**

EC Commission President Roy Jenkins made the following comments about the outcome of the European Council (meeting of EC heads of government) at Bremen on 7 July:

This European Council was much the most significant and worthwhile of the five I have attended. My fears that Bremen might be a mere dress rehearsal for Bonn proved unfounded. The test was bound to be advance on monetary policy, but the question of concerted growth was also of crucial importance. EC Commission Vice-president Ortoli's work has laid the foundation for a programme of concerted action, which showed that we can advance better together than alone.

The central subject, however, was the monetary question, and I feel great satisfaction at the amount of progress made. When I relaunched the idea of monetary union at Florence in October last year I had no idea we should have got as far as we did at Copenhagen, at Copenhagen I doubted that we should be able to move as far and as concretely as we have done here in Bremen.

We have taken no decision or entered into any commitment yet, but we have put forward the clear lines of a major, imaginative but at the same time realistic scheme for the creation of a zone of monetary stability, which would be backed by a fund of a very substantial scale. The total, some 44 billion European units of account (about \$61 billion) would be in excess of the IMF, and on a scale far greater than any other European scheme ever discussed. A very short timescale is involved: by 31 October we should study and fill in the detailed rules of a firm scheme.

I very much hope that all nine members of the Community will join in the scheme. It is much better that all should, but no country should have or would wish to have a veto on the scheme going ahead. At the moment the only commitment is to study the scheme, and I am sure the British will participate fully in this. I believe that something substantial will come of this and I hope the British will go along with it.

This has been not merely a good but an outstanding European Council, which has opened up a further clear prospect for a major advance. I should like to mention chiefly three other areas where we have made progress:

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- energy policy, where we have adopted clear and coherent objectives for 1985, putting us in a stronger position for the discussions at Bonn.
 - youth unemployment: we agreed to overcome some recent problems in the Commission's proposals, to enable the measures to come into force on 1 January 1979.
 - Mediterranean agriculture: we agreed to take the remaining decisions by the end of September, in order to seek to right the existing imbalance in the Community.
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