

# COMMISSION OF THE EUROPEAN COMMUNITIES

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94/0115 (CNS)

**Proposal for a Council Regulation (EC)**

**on the consolidation of the existing Community legislation  
on the definition of the ecu following the  
entry into force of the Treaty on European Union**

(presented by the Commission)

EXPLANATORY MEMORANDUM

A consolidation regulation designed to clarify and simplify Community legislation relating to the ecu and to ensure its consistency

Following the entry into force of the Treaty on European Union, at least five Community instruments - of differing origins and legal status - give a definition of the composition of the ecu:

1. The old instruments on which the European Monetary System was based, and in particular point 2.3 of the Resolution of the Brussels European Council of 5 December 1978, describe in general terms the procedures for revising the currency composition of the ecu basket.
2. Regulation (EEC) No 3180/78 (and in particular Article 2, which has not yet been repealed) empowers the Council, acting unanimously, to determine the revision procedures.
3. Regulation (EEC) No 1971/89 lays down the criteria for the revision scheduled for the end of 1989.
4. The Commission communication on the currency composition of the ecu following the 1989 revision of the basket (published in OJ No C 241/89) explains the current currency composition of the ecu.
5. The new Article 109g of the Treaty establishing the European Community provides for the currency composition of the ecu basket to remain unchanged during the second stage.

This means that:

- the current position regarding the ecu results from a collection of five instruments which vary in nature and scope and may prove difficult to consult should the need arise;
- some of the provisions of those instruments have been rendered inoperative by Article 109g of the Treaty;
- and, finally, the unity of the concept of the ecu could be undermined by the multiplicity of instruments and rules, which may fuel uncertainty over their interpretation during a period of monetary integration - a period in which maximum clarity and transparency are needed.

Accordingly, with a view to publishing legal provision which can be readily understood and consulted by the public, the Commission is proposing that the Council adopt a clarifying regulation designed to consolidate the existing legislation and to replace it with a single definition that is compatible with the Treaty on European Union.

Proposal for a Council Regulation (EC)

on the consolidation of the existing Community legislation  
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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 235 thereof,  
Having regard to the proposal from the Commission,  
Having regard to the opinion of the European Parliament,  
Having regard to the opinion of the Monetary Committee,  
Having regard to the opinion of the European Monetary Institute,

Whereas the definition of the currency composition of the ecu is contained in a wide variety of Community instruments and whereas consolidation by way of a regulation of the rules governing the said definition would be expedient for the transparency of Community law;

Whereas the following instruments, which concern the unit of account of the European Communities, are in force:

- Commission Decision No 3289/75/ECSC of 18 December 1975 on the definition and conversion of the unit of account to be used in decisions, recommendations, opinions and communications for the purposes of the Treaty establishing the European Coal and Steel Community, as amended by Decision No 3334/80/ECSC;
- Council Regulation (EEC) No 3180/78 of 18 December 1978 changing the value of the unit of account used by the European Monetary Cooperation Fund, as amended by Regulations (EEC) Nos 2626/84 and 1971/89;
- Council Regulation (EEC) No 3181/78 of 18 December 1978 relating to the European Monetary System, as amended by Regulation (EEC) No 3066/85;

- European Investment Bank: Decision of the Board of Governors of 30 December 1977 amending the Statute of the European Investment Bank to take account of the adoption of a new definition of the Bank's unit of account;
- Council Regulation (EEC, Euratom) No 3308/80 of 16 December 1980 on the replacement of the European unit of account by the ecu in Community legal instruments;
- European Investment Bank: Decision of the Board of Governors of 13 May 1981 amending the Statute of the European Investment Bank with respect to adoption of the ecu as the Bank's unit of account;
- Council Regulation (EEC) No 3813/92 of 28 December 1992 on the unit of account and the conversion rates to be applied for the purposes of the common agricultural policy;
- Commission Regulation (EEC) No 1068/93 of 30 April 1993 on detailed rules for determining and applying the agricultural conversion rates;

Whereas Article 109g of the Treaty establishing the European Community provides for the composition of the ecu basket in terms of the amounts of the currencies of the Member States to be frozen during the second stage of economic and monetary union and until the entry into force of the third stage of economic and monetary union, which will entail the irrevocable fixing of the value of the ecu in relation to the currencies participating in the third stage and the transformation of the ecu at a unitary conversion rate into the currency in its own right issued by the European Central Bank;

Whereas Article 1 of Regulation (EEC) No 3180/78, as amended by Regulations (EEC) Nos 2626/84 and 1971/89, defines the ecu as the sum of amounts of the currencies of the Member States that may be re-examined and, if necessary, revised;

Whereas the present definition of the composition of the ecu basket in terms of the currencies of the Member States was published in the Official Journal of the European Communities (No C 241/89), in a Commission communication and not in a Council regulation;

Whereas the currency composition of the ecu basket has been frozen since the entry into force of the Treaty on European Union,

HAS ADOPTED THIS REGULATION:

Article 1  
Definition of the ecu

The composition of the ecu basket in terms of the currencies of the Member States shall be the following:

DM	0.6242	HFL	0.2198	DKR	0.1976
FF	1.332	BFR	3.301	IRL	0.008552
UKL	0.08784	LFR	0.130	DRA	1.440
LIT	151.8	PTA	6.885	ESC	1.393

Article 2  
Adaptation of the rules of Community law applicable

1. Council Regulation (EEC) No 3180/78, as amended by Regulations (EEC) Nos 2624/84 and 1971/89, is hereby repealed.
2. In all the Community instruments applicable at the time of the entry into force of this Regulation, the definition of the ecu shall be that contained in Article 1 of this Regulation.

Article 3

This Regulation shall enter into force on ...  
This Regulation shall be binding in its entirety and directly applicable in all Member States.

# DOCUMENTS

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