

The role of the President of the Eurogroup

This note provides an overview of the role of the President of the Eurogroup and the related appointment procedures.

The European Council of 13 December 1997 endorsed the creation of the Eurogroup, as **an informal body that brings together the finance ministers of countries whose currency is the euro**. The first Eurogroup meeting was convened on 4 June 1998. In January 2005, the Eurogroup elected Jean-Claude Juncker as its first permanent president..

On 1 December 2009, the Protocol 14 to the Lisbon Treaty entered into force, entrusting Ministers of the euro area Member States to discuss matters related to the single currency and to **elect a president by simple majority of votes for two and a half years**. The Lisbon Treaty also amended the Council of the EU's rules so that when the full Economic and Financial Affairs Council (Ecofin) votes on matters affecting the euro area only, only Eurogroup members are allowed to vote.

In January 2013, Jeroen Dijsselbloem, at that time Minister of Finance of the Netherlands, was appointed as the second permanent President of the Eurogroup (and in July 2015, he was reappointed for another term, until 13 January 2018). By 30 November, **four ministers** have put forward their [candidacy](#).

Mário Centeno, minister of finance of Portugal, was elected [President of the Eurogroup](#), in line with [Protocol 14 of the EU Treaty](#), on the 4 December 2017. He succeeded Jeroen Dijsselbloem as of 13 January 2018 for a two and half year term.

Tasks of the President of the Eurogroup:

- Chairs Eurogroup meetings and sets agendas for them;
- Draws up the Eurogroup's work programme;
- Presents the outcomes of Eurogroup discussions to the public and to the ministers of non-euro area EU countries during ECOFIN-meetings;
- Represents the Eurogroup in international fora; and
- Takes part in [Economic dialogues](#) with Member of the European Parliament on a regular basis.

The Eurogroup is also responsible for preparing the **Euro Summit meetings** and for their follow-up. The original intention - as agreed in the [Treaty on Stability, Coordination and Governance in the EMU](#) - was that Euro Summit meets at least twice a year to provide strategic orientation on the economic and fiscal policies. In March 2017, Donald Tusk was [reappointed](#) President of the Euro Summit for the period 1 June 2017 to 30 November 2019. The next Euro Summit is scheduled for the 15 December 2017.

The Eurogroup is supported by an advisory body, the **Eurogroup Working Group (EWG)**, which is composed of the representatives of the euro area Member States in the [Economic and Financial Committee](#) (EFC), the European Commission and the European Central Bank. [Hans Vijlbrief](#) was elected as the new chair of the Eurogroup Working Group (EWG) by his peers on 11 January and confirmed by the Eurogroup on 22 January 2018. He took office as of 1 February 2018 for a two-year term following Thomas Wieser who was the first full-time EFC/EWG president and held the position since 2012.

The Eurogroup president may also be elected Chair of the Board of Governors of **the European Stability Mechanism (ESM)**, if the members of the board so decide. In January 2013, Mr Dijsselbloem was elected as the [Chair](#) of the Board of Governors of the ESM in his capacity as President of the Eurogroup. In addition, the ESM [appointed](#) Mr. Dijsselbloem as strategic advisor to the European Stability Mechanism (ESM) on the 12 October 2017 (effective as of 27 October 2017 when he resigned as Dutch Finance Minister) until the end of his term as Eurogroup President.



Debate on a full-time President of the Eurogroup

The decision whether the president of the Eurogroup should be elected among Members of the Eurogroup or whether the new president would become a full-time position based in Brussels, should be taken at the end of the mandate of the current president, as outlines in the conclusions of the Euro Summit of 27 October 2011.

The [Euro Summit of October 2011](#) stressed the need for a better governance structure of the euro area to deal more effectively with the challenges after the financial crisis of 2008 and to strengthen the euro. The Eurogroup - together with the Commission and the ECB - should rely on a stronger preparatory structure to remain at the core of the daily European Semester management for the euro area Member States. The decision on a full-time president of Eurogroup based in Brussels should be taken at the end of the mandate of the current incumbent.

In May 2013, a [German-French paper](#) endorsed the idea to create a full-time president for the Eurogroup "relying on wider resources" to be created after the EU elections in 2014. The Dutch elections in spring 2017 fuelled the discussion, as there were doubts if the current president Dijsselbloem could stay in office or if he might have to resign as a consequence of being voted out of the Dutch finance minister position. The current debate on establishing a full-time president is part of a wider discussion on how to achieve a more integrated eurozone by 2025.

Recently, the President of the European Commission [stated](#) that the Commissioner for economic and financial affairs – ideally also a Vice-President – should assume the role of an EU Economy and Finance Minister. He or she should also preside the Eurogroup. The European Parliament has also taken a similar stance (latest in its [resolution](#) of 16 February 2017 on budgetary capacity for the euro area (2015/2344(INI)).

Arguments raised in the public domain in favour of and against a full-time President:

- may reduce the possible conflicts of interest due to of defending the interest of the euro area as a whole and national interest as a current Minister of Finance;
- may focus only on economic policy surveillance and cooperation with national and EU level stakeholders;
- may strengthen the external representation of the euro;
- may strengthen the link between the work of the President of the EG and the work of the ESM;
- may strengthen the intergovernmental approach to economic governance in EMU;
- may loosen the link between the EG and the work of the Council (ECOFIN),
- may lack a clear EU legal framework for the new role, and
- may not build on sufficient "peer support" from other Finance Ministers.

[Treaty on the Functioning of the European Union](#) (Art 136 [as amended](#)):

In order to ensure the proper functioning of economic and monetary union the Council shall (...) adopt measures specific to those Member States whose currency is the euro:

(a) to strengthen the coordination and surveillance of their budgetary discipline;

(b) to set out economic policy guidelines for them, while ensuring that they are compatible with those adopted for the whole of the Union and are kept under surveillance.

The Member States whose currency is the euro may also establish a stability mechanism to be activated if indispensable to safeguard the stability of the euro area as a whole. The granting of any required financial assistance under the mechanism will be made subject to strict conditionality.

The Ministers of the Member States whose currency is the euro shall meet informally. Such meetings shall take place, when necessary, to discuss questions related to the specific responsibilities they share with regard to the single currency.

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