



Tomorrow's EMU needs all-round accountability

Committees: Committee on Economic and Monetary Affairs

A start on future economic and monetary union can be made now, by finalising laws already in the pipeline and making the most of what the current EU system already allows, said Economic and Monetary Affairs Committee MEPs on Monday. Their resolution sets out many measures to improve democratic accountability and legitimacy, so as to match transfers of powers to EU level.

The resolution, drafted by Marianne Thyssen (EPP, BE) and adopted by a large majority, sets out priorities for achieving full economic and monetary union. It will feed into the work being done by Parliament, the European Council, the European Commission, the European Central Bank (ECB), and Eurogroup Presidents.

Accountability across the board...

The resolution places very strong emphasis on the need for an appropriate accountability setup with regard to a host of players. Much of this setup would need to be developed at the EU level, but national parliaments should also be further empowered, to ensure that checks are in place on governments in their relations with the EU.

For EU bank supervision, the resolution says that the European Parliament should be empowered to approve the bank supervisor chairperson, who should be required to report to Parliament and attend hearings there. Parliament should also have the right to investigate any perceived failings of the supervisor, it adds.

The European Stability Mechanism (ESM) chairperson would likewise need to be approved by Parliament and would be subject to regular reporting requirements. Parliamentary hearings would also be required for the *Troika* representatives (Commission, IMF and ECB) before taking up their duties and they too should be subject to regular reporting and democratic scrutiny, says the text.

Measures to strengthen the role of the economic affairs Commissioner should also be balanced by making him or her more accountable to the European Parliament. Finally, all players involved in coordinating economic policies (the European Semester), would need to explain their positions and decisions more publically, including in the European Parliament.

... not least by involving national players more

National parliaments would also need to be better involved, so as to bring the EU dimension into everyday national politics, thus bringing it closer to citizens, and making it more accountable to them. The resolution specifically calls on national parliaments to take part in shaping the fiscal and reform plans that their governments then submit to the EU.

Finally, the resolution calls for a closer involvement in the European Semester of all players, ranging from civil society to national and regional parliaments, and says that member states should be made more accountable for implementing the EU2020 growth strategy, including by naming and shaming poor performers.

The future EMU starts now

Press release

The resolution accepts that a full EMU will require changes to the EU's basic rules. However, MEPs also point out that much can already be done within the current setup to develop immediate solutions to the crisis.

The resolution therefore calls on the Commission to table legislation consistent with the current treaties and to list legislative proposals in the pipeline that should not be delayed due to long-term institutional developments.

For example, work should not be halted on the economic governance "two pack", and deposit guarantee legislation. On bank crisis resolution, the current legislative proposals do not fully respond to current realities but can still serve as an interim solution before a single resolution regime is established, MEPs say.

New legislation which could already be possible includes tax coordination through enhanced cooperation, a social pact to better integrate employment and social concerns, rules to fine-tune the European Semester arrangements, and a system providing an EU budget funded solely by own resources. The resolution also calls for the European Stability Mechanism and the Fiscal Compact to be integrated into the EU treaties as soon as possible, thereby removing them from the intergovernmental realm.

Next steps

The future of EMU will dominate the agenda of the October European Council later this week. The resolution will then be presented to the full house in November. The five EU institution presidents are then to provide a final blueprint, in time for the December European Council, on how to advance towards full EMU.

In the chair: Sharon Bowles (ALDE, UK)

Contact :

John SCHRANZ

BXL: (+32) 2 28 44264

STR: (+33) 3 881 74076

PORT: (+32) 498 98 14 02

EMAIL: econ-press@europarl.europa.eu