



EUROPSKI PARLAMENT

2009 - 2014

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*Dokument s plenarne sjednice*

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**A7-0237/2013**

25.6.2013

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## **IZVJEŠĆE**

o prijedlogu Odluke Vijeća o uvođenju eura u Latviju 1. siječnja 2014.  
(COM(2013)0345 – C7-0183/2013 – 2013/0190(NLE))

Odbor za ekonomsku i monetarnu politiku

Izvjestitelj: Burkhard Balz

### ***Oznake postupaka***

- \* Postupak savjetovanja
- \*\*\* Postupak suglasnosti
- \*\*\*I Redovni zakonodavni postupak (prvo čitanje)
- \*\*\*II Redovni zakonodavni postupak (drugo čitanje)
- \*\*\*III Redovni zakonodavni postupak (treće čitanje)

(Navedeni se postupak temelji na pravnoj osnovi predloženoj u nacrtu akta.)

### ***Izmjene nacrta akta***

U amandmanima Parlamenta izmjene nacrta akta označene su ***podebljanim kurzivom***. *Obični kurziv* naznaka je tehničkim službama da se radi o dijelovima nacrta akta za koje se predlaže ispravak prilikom izrade konačnog teksta (na primjer o očitim pogreškama ili izostavcima u danoj jezičnoj verziji). Za predložene ispravke potrebna je suglasnost dotičnih tehničkih službi.

Zaglavlje svakog amandmana na postojeći akt koji se želi izmijeniti nacrtom akta sadrži i treći redak u kojem se navodi postojeći akt te četvrti redak u kojem se navodi odredba akta na koju se izmjena odnosi. Dijelovi teksta odredbe postojećeg akta koju Parlament želi izmijeniti, a koja je u nacrtu akta ostala nepromijenjena, označeni su ***podebljanim slovima***. Za moguća brisanja u tim dijelovima teksta koristi se oznaka [...].

## SADRŽAJ

|   | <b>Stranica</b> |
|---|-----------------|
| NACRT ZAKONODAVNE REZOLUCIJE EUROPSKOG PARLAMENTA ..... | 5               |
| OBRAZLOŽENJE .....                                      | 8               |
| REZULTAT KONAČNOG GLASOVANJA U ODBORU .....             | 13              |



## NACRT ZAKONODAVNE REZOLUCIJE EUROPSKOG PARLAMENTA

**o prijedlogu Odluke Vijeća o uvođenju eura u Latviju 1. siječnja 2014.  
(COM(2013)0345 – C7-0183/2013 – 2013/0190(NLE))**

**(Savjetovanje)**

*Europski parlament,*

- uzimajući u obzir prijedlog Komisije Vijeću (COM(2013)0345) ,
  - uzimajući u obzir Izvješće Komisije o konvergenciji za 2013. (COM(2013)0341) i Izvješće Europske središnje banke o konvergenciji iz lipnja 2013. za Latviju,
  - uzimajući u obzir radni dokument službi Komisije koji je priložen Izvješću Komisije o konvergenciji za 2013. za Latviju (SWD(2013)0196),
  - uzimajući u obzir svoju rezoluciju od 1. lipnja 2006. o širenju europodručja<sup>1</sup>,
  - uzimajući u obzir svoju rezoluciju od 20. lipnja 2007. o boljem načinu savjetovanja s Parlamentom u postupcima povezanim sa širenjem europodručja<sup>2</sup>,
  - uzimajući u obzir članak 140. stavak 2. Ugovora o funkcioniranju Europske unije, na temelju kojeg se Vijeće savjetovalo s Parlamentom (C7-0183/2013),
  - uzimajući u obzir članak 83. Poslovnika,
  - uzimajući u obzir izvješće Odbora za ekonomsku i monetarnu politiku (A7-0237/2013),
- A. budući da se člankom 140. Ugovora o funkcioniranju Europske unije (UFEU) utvrđuje postizanje visokog stupnja održive konvergencije pri čemu se uzima u obzir kako svaka država članica ispunjava sljedeće kriterije: postizanje visokog stupnja stabilnosti cijena; održivost stanja javnih financija; pridržavanje uobičajenih granica fluktuacije predviđenih tečajnim mehanizmom; i trajnost konvergencije koju je ostvarila država članica te njezina sudjelovanja u mehanizmu deviznog tečaja Europskog monetarnog sustava koje se odražava u razinama dugoročnih kamatnih stopa (kriteriji Maastrichta);
- B. budući da Latvija ispunjava maastrichtske kriterije u skladu s člankom 140. UFEU-a i Protokolom br. 13 o konvergencijskim kriterijima koji je priložen Ugovoru o Europskoj uniji i UFEU-u;
- C. budući da je izvjestitelj posjetio Latviju kako bi ocijenio njezinu pripremljenost za ulazak u europodručje;
- D. budući da je latvijski narod uložio goleme napore kako bi prevladao financijsku krizu i vratio se na put konkurentnosti i rasta;

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<sup>1</sup> SL C 298 E, 8.12.2006., str. 249.

<sup>2</sup> SL C 146 E, 12.6.2008., str.251.

1. prihvaća prijedlog Komisije;
2. podupire uvođenju eura u Latviju 1. siječnja 2014.;
3. primjećuje da je ocjena Komisije i Europske središnje banke (ESB) bila sastavljena u kontekstu globalne financijske krize koja je utjecala na mogućnosti mnogih drugih država članica za postizanje nominalne konvergencije, a posebno je prouzročila značajan ciklički pad stopa inflacije;
4. posebno primjećuje da je globalna financijska kriza snažno pogodila Latviju u području siromaštva, nezaposlenosti i demografskog razvoja; poziva Latviju i njezine partnere u Uniji da provode stroge makrobonitetne standarde kako bi spriječili neodržive tokove kapitala i težnje za rastom kredita, što se događalo prije krize;
5. primjećuje da Latvija ispunjava kriterije zbog odlučnih, vjerodostojnih i održivih napora latvijske vlade i latvijskog naroda; naglašava da će opća održivost makroekonomske i financijske situacije ovisiti o provedbi uravnoteženih i dalekosežnih reformi čiji će cilj biti spoj discipline i solidarnosti te dugoročna održiva ulaganja ne samo u Latviji nego i u ekonomskoj i monetarnoj uniji kao cjelini;
6. primjećuje da je u svom Izvješću o konvergenciji za 2013. ESB izrazila određenu zabrinutost u pogledu dugoročne održivosti gospodarske konvergencije Latvije; posebno naglašava sljedeće izjave i preporuke iz Izvješća:
  - pridruživanje monetarnoj uniji obuhvaća navedene monetarne i tečajne instrumente te znači veću važnost unutarnje fleksibilnosti i otpornosti; stoga bi tijela vlasti trebala, uz sve što su napravila od 2009., razmisliti o daljnjem jačanju alternativnih instrumenata anticikličke politike koji su im na raspolaganju;
  - Latvija treba nastaviti svoj put cjelovite fiskalne konsolidacije u skladu sa zahtjevima Pakta za stabilnost i rast te provesti i poštovati fiskalni okvir koji pomaže pri sprečavanju povratka procikličkim politikama u budućnosti;
  - potreba za jačim institucionalnim okruženjem i činjenica da siva ekonomija, iako u padu, još uvijek dosta raširena, prouzrokuju gubitak javnih prihoda i narušavaju tržišno natjecanje, štete konkurentnosti Latvije i smanjuju privlačnost zemlje kao destinacije za strana izravna ulaganja, što ometa dugoročna ulaganja i produktivnost; smatra da se ta razmišljanja trebaju uzeti ozbiljno, posebno ako se okrenu sadašnji trendovi u pogledu inflacije i financijskih tokova; smatra da razmišljanja ne mijenjaju opću pozitivnu ocjenu o uvođenju eura u Latviju;
7. poziva latvijsku vladu da zadrži oprezan smjer fiskalne politike, uz politike koje su usmjerene prema općoj stabilnosti, čime se predviđaju makroekonomske neujednačenosti i rizici za stabilnost cijena te se ispravljaju neujednačenosti koje je Komisija utvrdila u okviru izvješća o mehanizmu za uzbunu; primjećuje da stabilnost cijena u Latviji uvelike ovisi o dinamici cijena robe zbog slabe energetske učinkovitosti i visoke razine uvoza energije iz samo jednog izvora u sastavu potrošačke košarice; poziva latvijsku vladu da na tom polju postigne napredak te da poveća opće napore kako bi se dostigli svi nacionalni ciljevi za EU 2020.;
8. zabrinut je zbog trenutačne slabe potpore latvijskih građana za uvođenje eura; poziva latvijsku vladu i tijela državne uprave da aktivnije komuniciraju s građanima Latvije kako bi osigurali veću potporu javnosti za uvođenje eura; poziva latvijsku vladu i tijela državne

uprave da nastave s informativnom i komunikativnom kampanjom čiji je cilj doprijeti do svih građana Latvije;

9. poziva latvijsku vladu da se posveti strukturnim nedostacima na tržištu rada provodeći odgovarajuće strukturne i obrazovne reforme; posebno poziva latvijsku vladu da se posveti problemu razine siromaštva i sve većoj razlici u primanjima;
10. priznaje stabilnost latvijskog bankarskog sektora tijekom posljednje tri godine; naglašava da je taj bankarski poslovni model bio ozbiljno ugrožen u prvoj fazi svjetske financijske krize; naglašava da je slom latvijskog financijskog sustava tada izbjegnuto samo uz pomoć sredstava EU-a i Međunarodnog monetarnog fonda; pozdravlja nedavne reforme za jačanje regulacije latvijskih banaka koje su aktivne u poslovanju s depozitima nerezidenata; poziva latvijska tijela vlasti da osiguraju poštovanje strogog nadzora tih banaka i provedu dodatne mjere za upravljanje rizicima; nadalje, poziva latvijska tijela vlasti na oprez u pogledu mogućih neusklađenosti između bankovnih struktura dospijuća sredstava i obveza što može ugroziti financijsku stabilnost;
11. poziva latvijske vlasti da zadrže trenutačan smjer praktičnih priprema kako bi se osigurao bezbolan prijelazni postupak; poziva latvijsku vladu da uspostavi odgovarajuće mehanizme nadzora kako bi se osiguralo da se uvođenje eura ne iskoristi za prikriveni rast cijena;
12. poziva Vijeće da ga obavijesti ako namjerava odstupiti od teksta koji je Parlament prihvatio;
13. žali zbog izuzetno kratkog roka u kojem Parlament mora dati svoje mišljenje u skladu s člankom 140. UFEU-a; traži Komisiju i države članice koje namjeravaju uvesti euro da odrede odgovarajuće rokove kako bi Parlament mogao dati mišljenje na temelju sveobuhvatne i opsežne rasprave;
14. traži Vijeće da se ponovno savjetuje s Parlamentom ako namjerava znatno izmijeniti prijedlog Komisije;
15. nalaže svome predsjedniku da svoju odluku proslijedi Vijeću, Komisiji, Europskoj središnjoj banci, Europskupini i vladama država članica.

## OBRAZLOŽENJE

On 4 March 2013 Latvia requested a Convergence Report pursuant to Article 140(1) of the Treaty on the Functioning of the European Union (TFEU). The criteria for Latvia to adopt the Euro on 1 January 2014 are laid out in Article 140(1) of the TFEU.

Latvia is currently a “Member State with a derogation”, thus not a member of the euro area.

Article 140(2) TFEU states that the Council, on the basis of the reports from the Commission and the ECB and after consulting the European Parliament shall, acting by a qualified majority on a proposal from the Commission, decide which Member States with a derogation fulfil the necessary conditions on the basis of the criteria set out in Article 140(1) TFEU, and abrogate the derogations of the Member States concerned.

On 5 June 2013 the Commission proposed in its Convergence Report that Latvia adopts the euro from 1 January 2014.

The European Parliament has to examine the Convergence Report with the related legal proposal and issue an opinion. Despite certain reservations on individual issues, the Rapporteur recommends that the derogation be lifted with effect from 1 January 2014.

On the Convergence Criteria under Article 140(1) of the TFEU the Rapporteur observes:

1. *Compatibility of national legislation with Articles 130 and 131 and with the Statutes of the ECB*

Amendments to the Law on the Bank of Latvia as well as the adoption of the Fiscal Discipline Law and the law detailing the switchover to the euro make Latvia fully compatible with the requirements for euro adoption as laid down in the Treaties and the Statutes of the ECB and ESCB.

2. *Achievement of a high level of price stability*

Over the reference period from May 2012 to April 2013, the 12-month average rate of HICP inflation in Latvia was 1.3%, i.e. well below the reference value of 2.7%. Next to Sweden and Ireland, Latvia is among the three best-performing Member States which set the inflation reference value. Although HICP inflation is expected to increase from its current very low level, Latvia is projected to remain below the reference value in the months ahead. A prudent fiscal policy stance is expected to maintain a sustainable level of price stability.

3. *Sustainability of the government financial position*

Latvia is subject to a Council Decision on the existence of an excessive deficit. In the reference year of 2012 Latvia's general government deficit was 1.2% of GDP. The general government gross debt stood at 40.7% of GDP. Taking into account the European Commission Spring Forecast of May 2013 with an estimated general government deficit of 1.2% of GDP and debt of 43.2% of GDP, the Commission considers that the excessive deficit has been corrected.

3.1 *Latvia's repayment capacity under BoP programmes*



As the Latvian government is accumulating assets for large debt repayments to the EU and World Bank in 2014-2015, the debt level is expected to increase in 2013. The outstanding repayments under the EU's and World Bank's Balance of Payments (BoP) assistance programme have been taken into account in the government debt and interest payments forecasts for the upcoming years. They will be refinanced with public borrowing in the global financial markets where Latvia is currently enjoying very favourable financing conditions. This allowed an early repayment of an outstanding obligation towards the IMF in late 2012. Nearly 60% of these payments were being serviced ahead of schedule. As repayments to the EU and World Bank take effect in 2014/2015 the general government debt-to-GDP ratio is expected to decline again to 40% in 2014.

4. *Compliance with the normal fluctuation margins of the EMS's Exchange Rate Mechanism II for at least the past 2 years*

The Latvian lats (LVL) joined the Exchange Rate Mechanism (ERM II) on 2 May 2005. The standard fluctuation band is set at +/- 15%. Since ERM II entry Latvia maintained a tighter fluctuation margin of +/- 1% around the central rate. During the 2 year preceding the assessment the EUR/LVL exchange rate did not deviate from its central rate by more than +/- 1%. The exchange rate was not subject to severe tensions over the past 2 years.

5. *Durability of Convergence, as reflected in long-term interest-rate levels*

The development of long-term interest rates is assessed on the basis of secondary market yields on a single benchmark government bond with a residual maturity of close to 10 years. Latvia is again, next to Sweden and Ireland, among the three reference Member States which set the reference value of 5.5%. The 12-months moving average of the yield on the Latvian benchmark bond stood at 3.8% in April 2013, which is well below the reference value.

6. *Economic integration and convergence(Art. 140(1), last section)*

Latvia has made substantial economic progress in the last decades since its transition to a market economy. Economic reforms have been central to this progress, increasing competitiveness and facilitating the integration with the EU economy, but also the world economy at large. Successive governments in Latvia have also been exceptionally stringent in terms of structural reforms. The latest reforms implemented in 2009-2010 saw significant wage cuts and tax increases during the crisis. These austerity measures have been very successful and paved the way for Latvia's way out of the crisis. Despite high short-term costs, Latvia managed to implement credible policies which put it back on a stable growth trajectory. The past years have also been exceptionally volatile in terms of economic indicators. As a result of massive capital inflow which had persisted largely to finance outsized construction and consumption booms, the current account deficit stood at a record low of -22.5% of GDP in 2006. It was radically corrected in the severe crisis of 2009-2010, resulting in a surplus of 8.6% in 2009. The current account has since stabilized at a low deficit of -1.7% in 2012 and is projected to remain stable.

Latvia is well integrated into the EU economy through trade and investment linkages. It is a small open economy which gained in export markets and trade openness since its accession to the EU in 2004. The share of exports of goods and services to GDP is still lower than for its Baltic neighbours. But trade integration with the EU is progressing very fast as well as exports to Russia, Latvia's main trading partner outside the EU-27.

Ambitious reforms in the business sector favours Latvia's competitiveness. Start-up costs were reduced, procedures for property registration, construction permits and tax collection were simplified and insolvency procedures streamlined. The Commission's 2012 competitiveness monitoring report ranks Latvia in terms of business environment above the EU average. Latvia's industrial competitiveness is steadily improving whereas work still needs to be done in terms of its innovation performance.

In terms of transposition of EU legislation, Latvia's performance is among the best in the EU with a transposition deficit of 0.4% in November 2012.<sup>1</sup>

## 7. *Specific challenges in the case of Latvia*

### 7.1 *The stability of the financial sector*

Latvia's financial sector is well integrated into the EU financial system, especially through its linkages to the Nordic financial groups. The size of the Latvian banking sector is relatively modest in terms of total assets which amount to 129% to GDP (EU average 369% to GDP) and rather small in absolute figures (28 billion EUR). The financial service sector in Latvia equals only 3.5% of GDP.

Latvia has a long tradition in servicing non-resident banking clients. The high share of non-resident deposits (NRDs), which amount to 48.9% in 2012, can be considered as characteristic for the Latvian banking sector. According to the IMF 80% to 90% of NRDs come from investors from former CIS countries. Geographical, historical and cultural reasons play an important role here, especially the geographical proximity to Russia and the large Russian-speaking minority living in Latvia.

Banks that are specialized and active in the NRDs business account for approximately 1/3 of the total banking sector assets. These banks operate only marginally on the domestic market which is dominated by subsidiaries and branches of large Scandinavian banks. The share of NRD-banks in the domestic loan and deposit market was 11.2% and 10.3% respectively by the end of 2012. The overall net contribution of the NRD-sector to the financial account and foreign reserves is rather limited.

In order to cater for the risks inherent in NRD activities, NRD-banks face stringent regulation. Latvia implemented already comprehensive measures such as additional capital and liquidity requirements for these banks. Moreover, so-called liquidity stress-tests assure that each bank would be able to withstand an outflow of up to half of its NRDs without the need to resort to other sources of financing. The Financial and Capital Markets Commission monitors NRD-banks very actively and ensures a stringent supervision including their internal procedures, the asset quality and correspondent accounts.

Although Latvia largely complies with international rules on anti-money laundering, it remains essential to ensure a determined and effective implementation of these standards.

### 7.2 *Moderate public support for the timing of the euro adoption*

A major concern in the case of Latvia remains the low to moderate public support for the

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<sup>1</sup> Cf. most recent 29<sup>th</sup> annual report by the European Commission on monitoring the application of EU law [COM(2012) 714], [http://ec.europa.eu/eu\\_law/infringements/infringements\\_annual\\_report\\_29\\_en.htm](http://ec.europa.eu/eu_law/infringements/infringements_annual_report_29_en.htm).

euro. Concerns over a possible loss of national identity, loss of control over national finances and abusive price setting during the transition to the euro were among leading fears of Latvians according to a Eurobarometer survey conducted in 2012. Moreover, almost all branches of society criticise the lack of communication from government and the authorities. Although a comprehensive information and communication campaign is underway, a large part of the public was not reached yet by these initiatives.

In Parliament, the opposition voted against the euro adoption arguing that neither the Latvian economy nor society is ready for the euro and that the current state of the Eurozone is not favourable. Hence, uncertainty in the Latvian society prevails of whether the timing for euro adoption is appropriate.

Polling data from February 2013 (TNS) indicated that 63% of the interviewed Latvian citizens are either very or rather negative towards the euro, compared to 33% who have a very or rather positive attitude towards it. However, recent polling trends show that the very negative opinions tend to decline slowly. It is of utmost importance that the Latvian Government and authorities continue their efforts in informing the public and engaging them in a constructive debate about euro adoption.

### *7.3 The Latvian labour market*

Long-term unemployment remains another challenge. Although the labour market was characterized by a high degree of flexibility during the crisis, job seekers demonstrated high mobility within the EU resulting in an increase in emigration and a significant outflow of valuable labour. The recovery of the economy and continuous job creation efforts reduced emigration in 2012. The strong growth rates are bringing unemployment figures down slowly from the peak of 19.8% in 2010 to 14.9% in 2012. Especially regional differences and mismatches in skills for certain labour market segments keep structural unemployment high. Improvements in the functioning of the labour market remain key in order to avoid constant loss in potential output and excessive wage adjustments. The structural deficiencies in the labour market need to be addressed by active labour market policies and educational reforms.

### *8. Note regarding consultation of the European Parliament*

In past euro adoption procedures, the European Parliament has often been pushed into unacceptable time constraints as regards its formal consultation.

The formal time allotted this time between the publication of the Convergence Report on 5 June and the necessary Parliament consultation in Plenary of 1-4 July is equally unsatisfactory. The tight schedule for the Parliament's procedure allows for neither translations to be produced on the Draft Report (resulting in an EN only procedure) nor a sufficient substantial and in-depth scrutiny of the Convergence Report.

Anticipating these challenges, the ECON Committee and the Rapporteur started their work early on by organizing a hearing of the Latvian authorities (Minister of Finance and Central Bank Governor) already in February 2013. In May, confidential consultations with the Commission and the ECB were conducted. Finally, the Rapporteur visited Riga from 29-31 May 2013 in order to gain a direct insight on-site. The Rapporteur did not only meet government officials but also representatives from the central bank, financial supervisors, the financial sector, social partners as well as representatives of citizen's initiatives and the opposition that have been rather sceptical towards the euro introduction in Latvia.

Despite the above mentioned challenges, the Parliament again shows with its proactive early involvement that it is a reliable partner when it comes to rapid decision-making in the EU.

## REZULTAT KONAČNOG GLASOVANJA U ODBORU

|   |  |
|---|--|
| <b>Datum usvajanja</b>  | 24.6.2013  |
| <b>Rezultat konačnog glasanja</b>                               | +: 35<br>-: 1<br>0: 2  |
| <b>Zastupnici nazočni na konačnom glasanju</b>                  | Burkhard Balz, Elena Băsescu, Jean-Paul Basset, Sharon Bowles, George Sabin Cutaș, Leonardo Domenici, Derk Jan Eppink, Diogo Feio, Markus Ferber, Ildikó Gáll-Pelcz, Jean-Paul Gauzès, Sven Giegold, Liem Hoang Ngoc, Gunnar Hökmark, Syed Kamall, Philippe Lamberts, Werner Langen, Astrid Lulling, Hans-Peter Martin, Marlene Mizzi, Sławomir Nítras, Anni Podimata, Antolín Sánchez Presedo, Peter Simon, Peter Skinner, Ivo Strejček, Kay Swinburne, Sampo Terho, Marianne Thyssen |
| <b>Zamjenici nazočni na konačnom glasanju</b>                   | Bastiaan Belder, Philippe De Backer, Saïd El Khadraoui, Sari Essayah, Sophia in 't Veld, Krišjānis Kariņš, Olle Ludvigsson, Catherine Stihler  |
| <b>Zamjenici nazočni na konačnom glasanju (čl. 187. st. 2.)</b> | Luís Paulo Alves   |