

EUROPEAN PARLIAMENT

2004



2009

Committee on International Trade

2008/2156(INI)

10.9.2008

OPINION

of the Committee on International Trade

for the Committee on Economic and Monetary Affairs

on EMU@10: The first ten years of Economic and Monetary Union and future challenges
(2008/2156(INI))

Rapporteur: Jean-Pierre Audy

PA_NonLeg

SUGGESTIONS

The Committee on International Trade calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes the fact that, ten years after its creation, the Economic and Monetary Union is considered a technical and political success and that, since its introduction, the euro has increasingly established itself alongside the US dollar as a currency for trade transactions not only between eurozone countries and third countries but beyond;
2. Considers that the euro system, its monetary policy and the resulting stability of the euro have made a contribution towards the economic and financial integration of the world economy;
3. Points to the vital link between monetary policy and trade policy at global level, something demonstrated in countless studies, and stresses in this connection the positive role played by exchange rate stability in ensuring sustainable growth of international trade;
4. Points out that the increasing use of the euro as an international trading currency is benefiting the eurozone members in particular, since it reduces the exchange rate risk for firms from those states and hence the cost of international trade;
5. Welcomes the fact that, by strengthening the internal market, the introduction of the euro has improved the international competitiveness of EU firms and strengthened the weight of the EU in multilateral and bilateral trade negotiations;
6. Welcomes the fact that Economic and Monetary Union has increased the attractiveness of the euro zone for foreign direct investment;
7. Considers that inflation is a global reality and that in an open economy it cannot be combated solely by European monetary policy; considers that, by successfully discharging the mandate to give priority to price stability, the European Central Bank has strengthened confidence in the euro and hence made a crucial contribution to the euro's international attractiveness;
8. Regrets that, in the EMU@10 communication, the Commission has not conducted a more detailed and precise analysis of the euro's international role; calls on the Commission to produce a detailed report on the external dimension of the common monetary policy and on its repercussions for the euro zone's economic and trading performance;
9. EU commercial policy cannot be based on exchange rates when commercial policy instruments (duties, quotas, etc.) are ponderous and are therefore not suitable for warding off currency fluctuations;
10. Welcomes the openness of the euro zone, and considers that the current rising value of the euro possibly has negative effects, namely it has affected exports and encouraged

imports into the internal market, as well as positive effects in helping the EU economy face the dramatic oil price rise; takes note, in this connection, of the concerns of a host of EU firms and notes that it is of great importance for EU companies and workers particularly in the industrial sector, to have correctly valued currencies in all countries for the sake of their international competitiveness; At the same time sees the prospect, as a result of increased competitive pressure, that EU firms will have to improve their competitiveness further and hence, in the medium term, could have an edge over their rivals;

11. Stresses that the monetary policies pursued by some of the EU's partners are designed to under-value their currency, something which has an unfair impact on trade and could be seen as a non-tariff barrier to international trade;
12. Advocates better and more efficient coordination between the World Trade Organisation (WTO) and the Bretton Woods institutions (International Monetary Fund (IMF) and World Bank Group) in order to combat speculation and meet the challenges posed by the serious crisis not just in the monetary sector, but also in the financial, energy and food sectors which is currently threatening all countries; considers that such coordination would contribute towards monetary and financial stability in the world economy;
13. Proposes that, in view of the serious current monetary turbulence, a world monetary conference be organised under the auspices of the IMF in order to hold global consultations on monetary questions;
14. Proposes also that consideration be given to the feasibility of setting up a monetary disputes settlement body modelled on the trade disputes body established at the WTO, a body which could help stabilise the world monetary system, reduce the risk of abusive practices and give world markets the confidence they need to cope successfully with new economic challenges posed, in particular, by globalisation, increasing scarcity of natural resources and the emergence of new trading powers;
15. Supports the Commission proposal to develop common EU monetary positions by consolidating representation of the euro zone and ultimately securing a single seat for the euro zone in international financial institutions and fora.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	9.9.2008
Result of final vote	+: 26 -: 1 0: 0
Members present for the final vote	Carlos Carnero González, Daniel Caspary, Françoise Castex, Christofer Fjellner, Béla Glattfelder, Ignasi Guardans Cambó, Jacky Hénin, Alain Lipietz, Marusya Ivanova Lyubcheva, Erika Mann, Helmuth Markov, David Martin, Vural Öger, Georgios Papastamkos, Godelieve Quisthoudt-Rowohl, Peter Šťastný, Robert Sturdy, Gianluca Susta, Daniel Varela Suanzes-Carpegna, Corien Wortmann-Kool
Substitute(s) present for the final vote	Jean-Pierre Audy, Albert Deß, Elisa Ferreira, Vasco Graça Moura, Eugenijus Maldeikis, Rovana Plumb, Salvador Domingo Sanz Palacio, Zbigniew Zaleski