



# **The European Commission's key policies and communication activities in Economic and Financial Affairs**

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# overview

- EMU and the euro
- the role of Directorate-General for Economic and Financial Affairs
- euro communication



# EMU and the euro

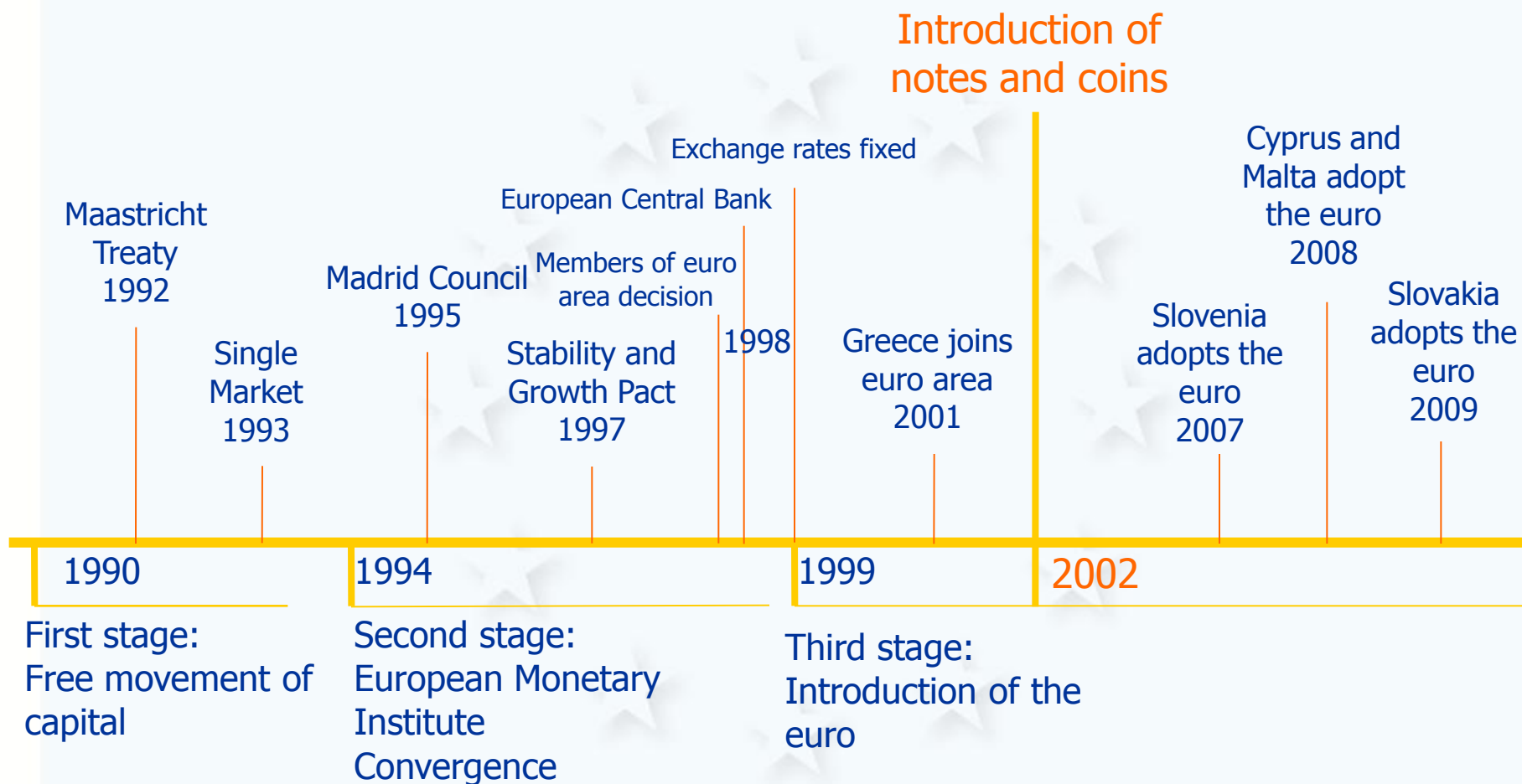


# EMU

- The Economic and Monetary Union is an important step in economic integration
- it represents
  - a single currency
  - a centralised monetary policy
  - a common exchange rate
  - coordinated national economies (fiscal and structural policies)



# some history in a glance...



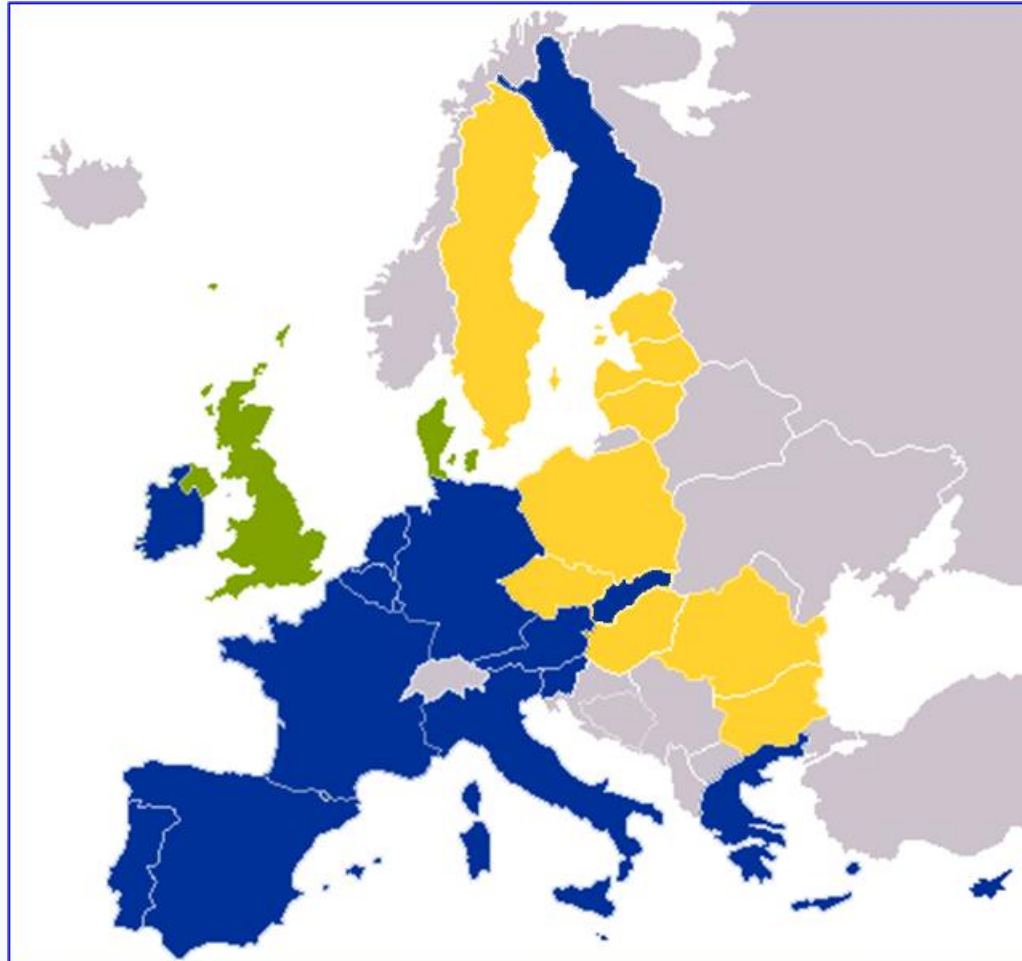


# the euro area

- Member States joining the EU join EMU and commit to adopt the euro but the Accession Treaties allow time for convergence
- the convergence criteria (Maastricht) ensure
  - stability-oriented economic policies
  - legal and institutional convergence
- as a result 16 MS have the euro as single currency
- and next...



# the euro area





# **governing EMU**

## **Member States**

- manage their own fiscal policy
- determine own structural policies (labour, capital markets,...)
- must co-ordinate their economic policies

## **European Council**

- sets main policy orientations

## **Council of the EU (Ecofin)**

- coordinates economic policy making
- decides on Commission's policy proposals
- decides if a MS can join the euro area





# **governing EMU**

## **EuroGroup**

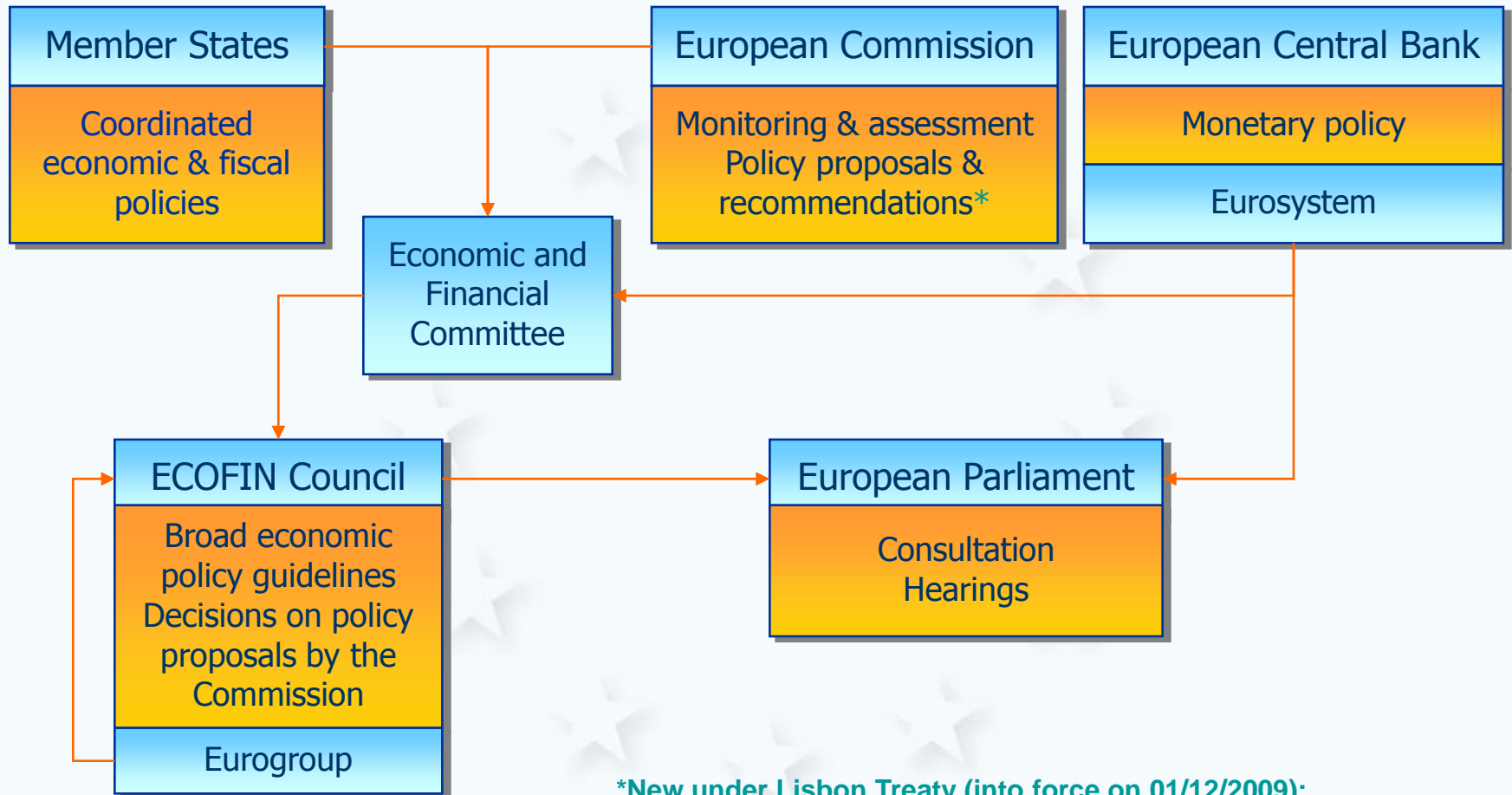
- informal group of euro area Ministers of Finance
- manages matters of common concern

## **European Commission**

- monitors and assesses national policies (multilateral surveillance)
- makes policy proposals to the Council

## **European Central Bank**

- sets the monetary policy of the euro area
- cultivates price stability (inflation below but close to 2 %)



**\*New under Lisbon Treaty (into force on 01/12/2009):**  
Commission may directly address an opinion to a Member State when it considers that this Member State has (or will have) an excessive deficit.



# the role of DG ECFIN



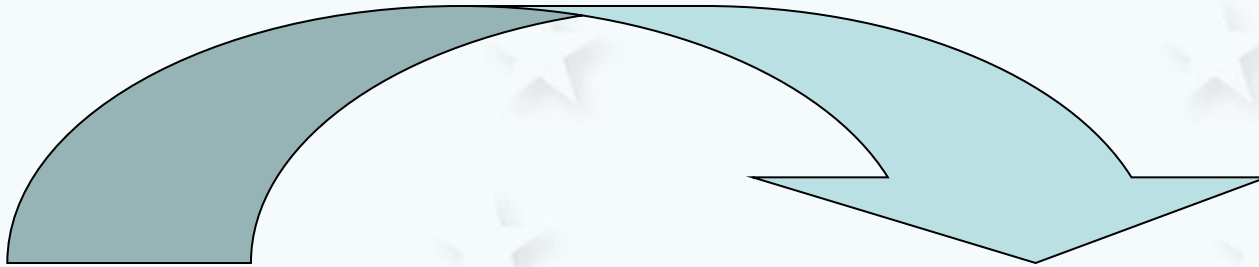
# foster the success of EMU

- conducting **economic surveillance**
- advancing economic **policy coordination**
- policy **assessment and advice**
- at MS and EU level



# surveillance

continuous monitoring of the economic and budgetary situation



## input

- up-to-date economic data
- correct indicators
- forecasts

## output

- assessments
- policy advice
- peer review process in Ecofin/Eurogroup
- formal actions (excessive deficit procedure)

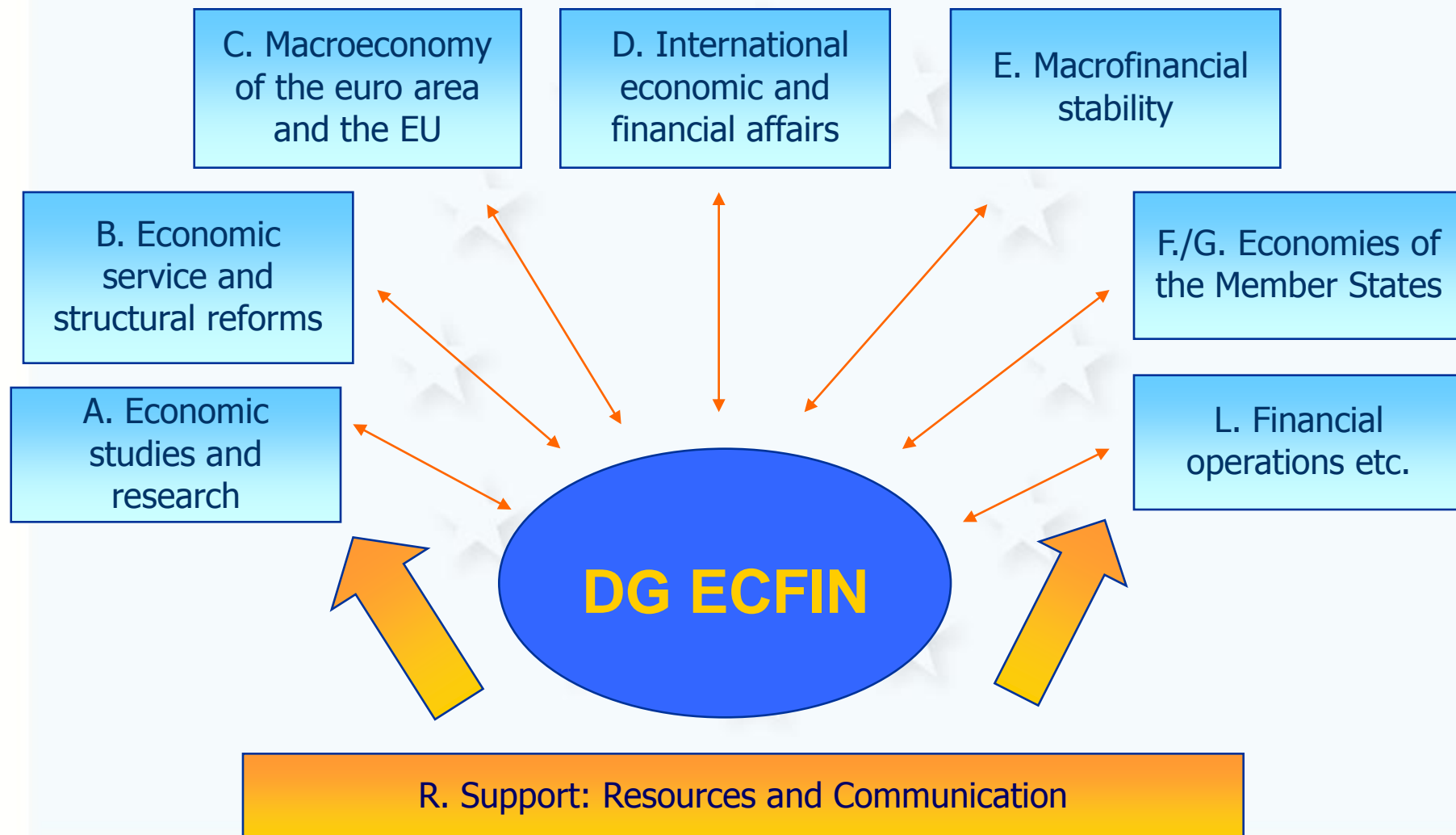


# assessment and policy advice

- general: integrated guidelines and national reform programmes
- budgetary procedures in the context of Stability and Growth Pact
- for non euro area MS: convergence reports
- specific notes and reports at DG ECFIN's own initiative



# Directorates of DG ECFIN





# euro communication





- increase **public knowledge** and **support** for EMU and the euro
- inform stakeholders about other EMU related matters
- in casu, help to ensure a smooth changeover to the euro

## **Towards**

- all EU citizens and specific target groups
- policy makers, economic and financial players, academics,
- multipliers (journalists, ...)



# key messages

- clear **economic benefits**:
  - low inflation (inflation since 2002 around 2%)
  - low interest rates
  - more integrated financial markets etc.
- clear **practical benefits**:
  - absence of exchange related costs
  - cross border shopping
  - price transparency etc.
- the **euro is a stable currency**



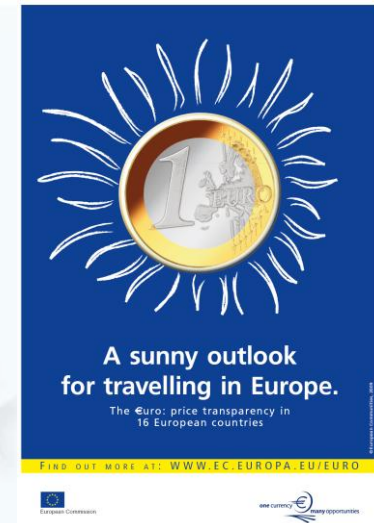
# overview of activities

- decentralised:
  - co-organisation of euro-communication in the MS
  - Partnership Agreements with MS that intend to introduce the euro
  - actions beyond EU borders (US, Asia, Delegations,...)
- centralised:
  - advertising campaigns
  - audiovisual campaigns
  - web based communication activities
  - events (seminars, conferences, ...)
  - publications, studies, ..
  - Euro travelling exhibition
  - competitions



# advertising campaign

- first wave in 2009
  - to celebrate EMU@10
  - posters at airports + ads in inflight magazines
  - raise awareness about the benefits
  - aimed at the general public
- second wave in Easter 2010
  - posters at airports and train stations
  - again short but powerful messages





# audiovisual campaigns

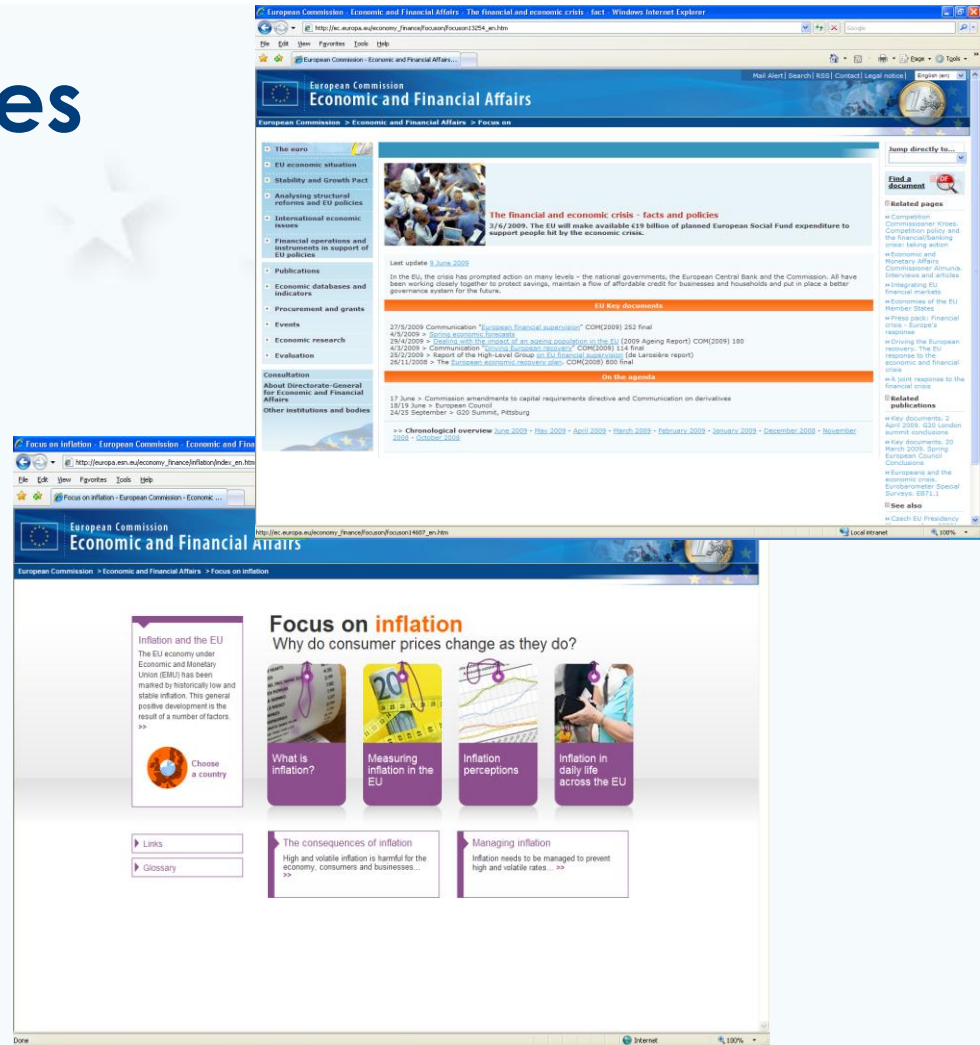
- EU Tube clips
  - 4 clips of 45" in cartoon format
  - on the benefits for younger audience
  - launched in April 2010
- ECFIN corporate video
  - presentation of ECFIN's core business
  - wider but informed audience
  - under preparation





# web based activities

- internet and intranet
- dedicated sections
  - on the financial crisis
  - on inflation



[http://ec.europa.eu/economy\\_finance/index\\_en.htm](http://ec.europa.eu/economy_finance/index_en.htm)



# events

- **Brussels Economic Forum 2010:** “Strategies for a post-crisis world: enhancing European growth”, 25-26 May 2010
- **award ceremony** photo competition, May 2010
- **Shanghai EXPO 2010**, ECFIN seminar, 3 Jul 2010
- **Annual Research Conference**, 22-23 Nov 2010
- **European Research Directors meeting**, 24 Nov 2010
- **Euro Travelling Exhibition** in Estonia, Aug-Dec 2010
- **seminars for journalists** (around 10 in 2010 in Brussels and Frankfurt)





# publications

- scientific publications
- ECFIN Newsletters
- general public

