

AMENDMENT FORM

Suggestion for amendment of Article : Annex 2 –Protocol on the Euro group

By Mr Hain

Status : Member

Delete.

Explanation (if any) :

This Protocol would be more suitably expressed as a Declaration of the interested Member States. Formalisation of the Eurogroup is inappropriate because:

- *In as far as the proposed changes to Eurogroup are being driven by concern about the impact of enlargement, treaty changes will not have the desired effect, because any treaty change is unlikely to come into force before 2006 or 2007, while enlargement will happen in 2004.*
- *We have always recognised that the "ins" will want to meet to discuss issues to do with sharing a currency, but greater powers for the Eurogroup to decide on the BEPGs or excessive deficits of Euro-ins will create an asymmetry, whereby the outs will vote only on outs' issues, while ins will vote on ins and outs.*
- *Overall, it is difficult to believe that creating a greater distinction between the ins and the outs will promote effective economic governance in the Union- the key challenge facing the Union is to enhance structural reform, and this proposal will do nothing to help meet this challenge.*