

Procedure file

Basic information		
CNS - Consultation procedure Regulation	1996/0249(CNS)	Procedure completed
Euro: legal framework for its use		
Amended by 2000/0137(CNS)		
Subject 5.20.02 Single currency, euro, euro area		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy		09/09/1996
		PPE HERMAN Fernand H.J.	
	Committee for opinion	Rapporteur for opinion	Appointed
	ENVI Environment, Public Health and Consumer Protection		30/10/1996
		PSE COLLINS Kenneth D.	
Council of the European Union	Council configuration	Meeting	Date
	Transport, Telecommunications and Energy	2016	17/06/1997
	Economic and Financial Affairs ECOFIN	2014	09/06/1997
	Economic and Financial Affairs ECOFIN	1973	02/12/1996
	Economic and Financial Affairs ECOFIN	1960	11/11/1996

Key events			
16/10/1996	Legislative proposal published	COM(1996)0499	Summary
11/11/1996	Debate in Council	1960	
11/11/1996	Committee referral announced in Parliament		
12/11/1996	Vote in committee		Summary
12/11/1996	Committee report tabled for plenary, 1st reading/single reading	A4-0375/1996	
28/11/1996	Decision by Parliament	T4-0644/1996	Summary
02/12/1996	Debate in Council	1973	
09/06/1997	Debate in Council	2014	
17/06/1997	Act adopted by Council after consultation of Parliament		

17/06/1997	End of procedure in Parliament		
19/06/1997	Final act published in Official Journal		

Technical information	
Procedure reference	1996/0249(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amended by 2000/0137(CNS)
Legal basis	EC before Amsterdam E 235
Stage reached in procedure	Procedure completed

Documentation gateway					
Legislative proposal		COM(1996)0499	16/10/1996	EC	Summary
Committee report tabled for plenary, 1st reading/single reading		A4-0375/1996 OJ C 380 16.12.1996, p. 0004	12/11/1996	EP	
Text adopted by Parliament, 1st reading/single reading		T4-0644/1996 OJ C 380 16.12.1996, p. 0014-0047	28/11/1996	EP	Summary

Additional information	
European Commission	EUR-Lex

Final act
Regulation 1997/1103 OJ L 162 19.06.1997, p. 0001 Summary

Euro: legal framework for its use

OBJECTIVE: to propose, ahead of the start of stage III of EMU, the provisions that should make up the legal framework for the use of the euro and which will provide the necessary legal certainty for market participants and economic operators. SUBSTANCE: the proposal for a Council Regulation on some provisions relating to the introduction of the euro has the following objectives: - to confirm that, with effect from 1 January 1999, references to the ecu in contracts and other legal instruments are replaced by references to the euro at the rate of 1 Euro for 1 ECU; - to confirm the continuity of contracts which are denominated in national currencies and in ecu and which extend beyond 1 January 1999; - to determine the degree of precision at which conversion rates will be irrevocably fixed on 1 January 1999; - to establish rounding rules. Moreover, the proposal introduces the name 'euro' for the single currency into Community legislation. Reference to the decision of the European Council on the name is included in the recitals. ?

Euro: legal framework for its use

In adopting the report by Mr Fernand HERMAN (PPE, B), Parliament proposed a number of clarifications in order to reinforce legal certainty concerning transition to the euro. With regard to certainty over contracts, any clause permitting one of the parties to avoid his obligations in the event of the euro replacing one of the national currencies of the participating Member States will be deemed null and void if it is included in a standard contract or preprinted agreements which have not been individually negotiated between the parties. Parliament considered that it would be necessary to strengthen consumer protection against abuse and fraud in connection with the euro (amendment of Directive 93/13/EEC concerning unfair clauses in contracts; harmonization of national penal provisions in relation to prevention of fraud). It called on Member States to take appropriate action in conjunction with relevant trade, professional and consumer organizations to inform, advise and prepare for the introduction of the euro. Parliament rejected the amendments concerning double pricing. ?

Euro: legal framework for its use

OBJECTIVE: to fix, before the start of the third stage of Economic and Monetary Union, the provisions which will constitute the legal framework for the use of the euro in order to provide legal certainty for citizens and firms in all the Member States. **COMMUNITY MEASURE:** Council Regulation (EC) No 1103/97 on certain provisions relating to the introduction of the euro. **SUBSTANCE:** the regulation, in fixing certain provisions on the introduction of the euro, - confirms that with effect from 1 January 1999 the references to the ECU in contracts and other legal instruments will be replaced by a reference to the euro at the rate of one to one; - confirms the continuity of contracts expressed in national currencies and in ECU and which will reach their term after 1 January 1999 (the introduction of the euro will not have the effect of altering any term of a contract or of discharging or excusing its performance; it will not give a party the right unilaterally to alter or terminate a contract); - determines the degree of precision with which the conversion rates will be fixed irrevocably on 1 January 1999 (the conversion rates which are adopted are expressed in terms of the equivalent of a euro in each of the national currencies of the participating Member States; they have six significant figures). - sets the rules for rounding of amounts. **ENTRY INTO FORCE:** 20/06/1997 ?