


Procedure file

Basic information		
INI - Own-initiative procedure	2000/2278(INI)	Procedure completed
Commission recommendation on means to assist economic actors in switching to the euro		
Subject 5.20.02 Single currency, euro, euro area		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs	ELDR MAATEN Jules	21/03/2001

Key events			
18/01/2001	Committee referral announced in Parliament		
20/06/2001	Vote in committee		Summary
20/06/2001	Committee report tabled for plenary	A5-0222/2001	
03/07/2001	Debate in Parliament		
04/07/2001	Decision by Parliament	T5-0386/2001	Summary
04/07/2001	End of procedure in Parliament		
14/03/2002	Final act published in Official Journal		

Technical information	
Procedure reference	2000/2278(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Implementation
Legal basis	Rules of Procedure EP 54; Rules of Procedure EP 142-p2
Stage reached in procedure	Procedure completed
Committee dossier	ECON/5/14184

Documentation gateway					
Document attached to the procedure		COM(2001)0190	03/04/2001	EC	Summary

Committee report tabled for plenary, single reading	A5-0222/2001	20/06/2001	EP	
Text adopted by Parliament, single reading	T5-0386/2001 OJ C 065 14.03.2002, p. 0061-0162 E	04/07/2001	EP	Summary

Commission recommendation on means to assist economic actors in switching to the euro

With the deadline for the introduction of the Euro fast approaching the European Commission has released a report assessing the level of awareness and preparation for the change over to Euro notes and coins. In combination with this assessment the report aims to identify good practices facilitating the introduction of the Euro. Under scrutiny are European consumers, businesses, SMEs, public sector institutions, banks and financial organisations. Specifically, the objectives of the report are: - to take detailed stock of the state of preparations a few months before the changeover to the Euro; - to provide the Eurogroup with a comprehensive document containing a synopsis of the state of progress of work; - to identify and disseminate good practices that would make a particularly useful contribution to the success of the changeover of notes and coins. The study begins by assessing the level of awareness amongst European businesses. The findings of the report indicate that awareness of and preparation for the introduction of the Euro vary depending on the size of the business. Thus, for example, larger firms have invested considerable time and money in preparing for the changeover. The fact that large firms put preparations for the changeover ahead of electronic commerce suggests that many take the introduction of Euro notes and coins seriously. As regards SMEs, the findings of the report vary. Although awareness levels amongst SMEs are beginning to increase, many remain ignorant of key factors affecting the transition period. Micro-businesses in particular appear to be ill prepared for the enormity of the task ahead. According to a flash survey conducted by Eurobarometer at the beginning of 2001, only 19% of micro-businesses have a detailed action plan. Concerning consumers, surveys indicate that individuals' attitudes to the Euro remains confused. There is, for example, little familiarisation with the new scale of values (most customers pay little attention to dual pricing and 80% of them have not memorised any prices in Euro). Other findings show that almost one person in four thinks that Euro notes and coins issued in their country will be legal tender only there. Whilst accepting that confusion is likely to level out in the later half of 2001, the report notes that consumer targeted information campaigns need to be stepped up. In terms of preparation levels amongst public institutions, the report finds most ready and well prepared. Lastly, the report examines the level of preparation in banks and financial organisations. With the later at the forefront of any changes, their level of preparation is key. By and large, banks and financial institutions have strived hard and successfully to prepare their customers for the changeover. Within two weeks of the introduction to the single currency all ATMs should be issuing bank notes in Euros. One source of continuing tension remains the high cost of non-cash cross-border transfers. The report highlights that consumers will find this practice incompatible with the logic of the single currency and as such the Commission will continue to exert pressure on banks to lower non-cash cross-border costs.?

Commission recommendation on means to assist economic actors in switching to the euro

The committee adopted the own-initiative report by Jules MAATEN (ELDR, NL) on the preparations for the changeover to the euro. One of the recommendations contained in the report was that January sales should either be brought forward to late December or postponed to mid-January so that the introduction of euro notes and coins did not take place on days when the retail sector was already at full stretch. The committee also felt that consumers should be able to hold euro notes for a short time before January 1 and proposed that cash machines in all eurozone countries be in a position to supply euro notes from 27 December 2001. The report said that the introduction of euro coins must not result in "hidden" price increases. It also urged the Member States to round up or round down their administrative charges (such as fines and social transfers) in the direction that most benefited the consumer. The committee was concerned that over a third of small and medium-sized enterprises had made no preparation whatever for the transition to the euro, and blamed Member States and the ECB for having ignored the cost aspects of the changeover. This, it believed, had resulted in a failure to make proper preparations. Member States should therefore now introduce fiscal incentives to encourage the retail sector to prepare quickly. The committee also pointed out that many citizens who travelled regularly had coins of other Member States, which they could not exchange in their home countries, and argued that it should be possible to exchange coins on the same terms as banknotes. Lastly, the committee urged holders of hoarded currency to wait until mid-January to exchange it or to deposit it in an account beforehand. ?

Commission recommendation on means to assist economic actors in switching to the euro

The European Parliament voted by 431 to 27 with 88 abstentions on the adoption without amendments of the report by Jules MAATEN (ELDR, Netherlands) on the preparations for the changeover to the euro. (Please refer to the previous text).?